

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 17-235

Organization: Chicago Mercantile Exchange, Inc. ("CME")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 10/17/17 Filing Description: Two (2) New CME Rulebook Chapters 600 and 601 and the Deletion of Existing Twelve (12) CME Rulebook Currency Pairs Chapters 257H, 260H, 270H, 271H, 273H, 274H, 277H, 279H, 280H, 281H, 282H and 283H

**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- |                                     |                                     |            |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification                       | § 40.6(a)  |
| <input type="checkbox"/>            | Approval                            | § 40.5(a)  |
| <input type="checkbox"/>            | Notification                        | § 40.6(d)  |
| <input type="checkbox"/>            | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/>            | SIDCO Emergency Rule Change         | § 40.10(h) |

Rule Numbers: See filing.

**New Product**

Please note only ONE product per Submission.

- |                          |                                       |            |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification                         | § 40.2(a)  |
| <input type="checkbox"/> | Certification Security Futures        | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class              | § 40.2(d)  |
| <input type="checkbox"/> | Approval                              | § 40.3(a)  |
| <input type="checkbox"/> | Approval Security Futures             | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission                       | § 39.5     |

Official Product Name:

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- |                          |   |                      |
|--------------------------|---|----------------------|
| <input type="checkbox"/> | Certification   | § 40.6(a)            |
| <input type="checkbox"/> | Certification Made Available to Trade Determination     | § 40.6(a)            |
| <input type="checkbox"/> | Certification Security Futures                          | § 41.24(a)           |
| <input type="checkbox"/> | Delisting (No Open Interest)                            | § 40.6(a)            |
| <input type="checkbox"/> | Approval  | § 40.5(a)            |
| <input type="checkbox"/> | Approval Made Available to Trade Determination          | § 40.5(a)            |
| <input type="checkbox"/> | Approval Security Futures                               | § 41.24(c)           |
| <input type="checkbox"/> | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/> | “Non-Material Agricultural Rule Change”                 | § 40.4(b)(5)         |
| <input type="checkbox"/> | Notification  | § 40.6(d)            |

Official Name(s) of Product(s) Affected:

Rule Numbers:



Christopher Bowen  
Managing Director and Chief Regulatory Counsel  
Legal Department

October 17, 2017

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Two (2) New CME Rulebook Chapters 600 and 601 and the Deletion of Existing Twelve (12) CME Rulebook Currency Pairs Chapters 257H, 260H, 270H, 271H, 273H, 274H, 277H, 279H, 280H, 281H, 282H and 283H.  
CME Submission No. 17-235**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commission that it is self-certifying the addition of two (2) new CME Rulebook Chapters (CME Chapter 600 (“Cleared OTC Non-Deliverable Forward FX Products”) and CME Chapter 601 (“Cleared OTC Non-Deliverable Forward FX Contract Terms”)) and the deletion of existing CME Rulebook Chapters 257H, 260H, 270H, 271H, 273H, 274H, 277H, 279H, 280H, 281H, 282H and 283H for the twelve (12) currency pairs (the “Contracts”) provided in the table below (collectively, the “Rule Amendments”) effective on Wednesday, November 1, 2017.

OTC FX NDF Contract	CME Rulebook Chapter	Commodity Code
1.) Cleared OTC U.S. Dollar/Brazilian Real (USD/BRL) Spot, Forwards and Swaps	257H	USDBRL
2.) Cleared OTC U.S. Dollar/Russian Ruble (USD/RUB) Spot, Forwards and Swaps	260H	USDRUB
3.) Cleared OTC U.S. Dollar/Chinese Renminbi (USD/RMB) Spot, Forwards and Swaps	270H	USDRMB
4.) Cleared OTC U.S. Dollar/Korean Won (USD/KRW) Spot, Forwards and Swaps	271H	USDKRW
5.) Cleared OTC U.S. Dollar/Columbian Peso (USD/COP) Spot, Forwards and Swaps	273H	USDCOP
6.) Cleared OTC U.S. Dollar/Chilean Peso (USD/CLP) Spot, Forwards and Swaps	274H	USDCLP
7.) Cleared OTC U.S. Dollar/Peruvian Nuevo Sol (USD/PEN) Spot, Forwards and Swaps	277H	USDPEN
8.) Cleared OTC U.S. Dollar/Indian Rupee (USD/INR) Spot, Forwards and Swaps	279H	USDINR
9.) Cleared OTC U.S. Dollar/Malaysian Ringgit (USD/MYR) Spot, Forwards and Swaps	280H	USDMYR
10.) Cleared OTC U.S. Dollar/Indonesian Rupiah (USD/IDR) Spot, Forwards and Swaps	281H	USDIDR
11.) Cleared OTC U.S. Dollar/Taiwan Dollar (USD/TWD) Spot, Forwards and Swaps	282H	USDTWD
12.) Cleared OTC U.S. Dollar/Philippines Peso (USD/PHP) Spot, Forwards and Swaps	283H	USDPHP

The Rule Amendments are intended to align the rules for CME Cleared OTC Non-Deliverable Forward agreements (NDFs) with the NDF contract templates espoused by EMTA (the former Emerging Markets Traders Association) for use by OTC FX market participants (EMTA templates). The EMTA templates set forth standard terms recommended for foreign exchange forward agreements, options, and cross-currency swaps for relevant currency pairs. The two (2) new CME Rulebook chapters will directly reference the EMTA templates, thereby superseding the Exchange’s current and past practice of transcribing such template terms directly into CME Cleared OTC product terms. The Rule Amendments will ensure that the CME product terms are as tightly aligned as possible with OTC FX market best practices as propounded by EMTA. Additionally,

the consolidation deletes repetitive verbiage found in the existing twelve (12) rulebook chapters of the Contracts. It is important to note that the Rule Amendments are administrative and non-substantive in nature. The Exchange believes that the Rule Amendments will provide clarity and streamline the rules of the Contracts.

The Contracts are available for submission for clearing via CME ClearPort. There is no open interest in the Contracts.

CME reviewed the derivatives clearing organization (“DCO”) core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the Rule Amendments may have some bearing on the following principles:

- DCO Core Principle B – Financial Resources: The Rule Amendments will not have a material impact on the financial resources of CME. As such, it will not prevent CME Clearing from demonstrating that it has adequate financial, operational, and managerial resources to discharge its responsibilities as DCO.
- DCO Core Principle L – Public Information: The rulebook chapter changes will be added to the publicly available CME Rulebook available on the CME Group website. In addition, CME will release a notice to the marketplace regarding the amendments in advance of the effective date which will also be posted on the CME Group website.
- DCO Core Principle R – Legal Risk: CME has determined that the Rule Amendments are consistent with the requirement to have a well-founded, transparent and enforceable legal framework for each aspect of the activities of the DCO.

Exhibits A, B and C which are attached hereto, set forth the Rule Amendments in blackline format.

Pursuant to Section 5c(c) of the Act and CFTC Regulations 40.6(a), the Exchange hereby certifies that the Rule Amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to the Rule Amendments.

CME certifies that this submission has been concurrently posted on the CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com)

Sincerely,

/s/Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A – New CME Rulebook Chapter 600 (“Cleared OTC Non-Deliverable Forward FX Products”) (blackline format)  
Exhibit B – New CME Rulebook Chapter 601 (“Cleared OTC Non-Deliverable Forward FX Contract Terms”) (blackline format)  
Exhibit C – Deletion of CME Rulebook Chapters 257H, 260H, 270H, 271H, 273H, 274H, 277H, 279H, 280H, 281H, 282H and 283H (blackline format)

## **EXHIBIT A**

### **CME Rulebook**

(additions are underlined)

### **CME Chapter 600**

### **Cleared OTC Non-Deliverable Forward FX Products**

#### **60001.**

#### **SCOPE OF CHAPTER**

The scope of this Chapter is limited in application to FX Products. Procedures for trading FX Products and for clearing and settling FX Contracts and any other matters not specifically covered herein shall be governed by the other Chapters of these Rules, including Chapter 8-F (Over-the-Counter Derivative Clearing) to the extent applicable. Capitalized terms in this Chapter that are not otherwise defined in this Chapter shall have the meanings given to such terms in the other Chapters of the Rules.

Capitalized terms in this Chapter that are not otherwise defined in either this Chapter or the other Chapters of the Rules shall have the meanings set forth in the FX Definitions. For the purposes of any FX Contract, references in the FX Definitions to:

- (a) a "Confirmation" shall be deemed to refer and apply to the terms of such FX Contract; and
- (b) a "Trade Date" shall be deemed to refer to the Acceptance Date of such FX Contract.

#### **60002.**

#### **DEFINITIONS**

##### **Acceptance Conditions**

With respect to a FX Contract, the acceptance for clearing by both FX Clearing Members of a FX Product submitted for clearing and the acceptance by CME Clearing of such FX Product for clearing.

##### **Acceptance Date**

With respect to a FX Contract, the date on which the Acceptance Conditions are satisfied.

##### **Acceptance Time**

With respect to a FX Contract, the time at which the Acceptance Conditions are satisfied.

##### **Clearing Business Day**

With respect to a FX Contract, any day on which CME Clearing is open to process and settle FX Contracts.

##### **Clearing Effective Date**

With respect to a FX Contract the Clearing Effective Date shall be:

- (a) the Acceptance Date for such FX Contract, if the Acceptance Time for such FX Contract is prior to 6.45 p.m. New York time on a Clearing Business Day; and
- (b) the Clearing Business Day immediately following the Acceptance Date for such FX Contract, if the Acceptance Time for such FX Contract is on or after 6.45 p.m. New York time on a Clearing Business Day.

### **Contract Elections**

For any FX Product submitted to and accepted for clearing by CME Clearing as a FX Contract, any reference to the "Trade Date" shall be considered a reference to the "Acceptance Date", pursuant to Rule 60001., and each of the following Contract Elections must be made by the corresponding FX Participant in comportment with the contract specifications of Chapter 601 and the Relevant EMTA Template Terms for such FX Product:

1. Reference Currency
2. Notional Amounts (for which such FX Participant must specify either (a) a Notional Amount and a Reference Currency Notional Amount or (b) a Forward Rate and either a Notional Amount or a Reference Currency Notional Amount)
3. Whether the FX Clearing Participant is acting as a Reference Currency Buyer or a Reference Currency Seller
4. Whether CME Clearing is acting as a Reference Currency Seller or a Reference Currency Buyer
5. Settlement Date
6. Valuation Date

### **EMTA**

EMTA Inc., the trade association for the emerging markets that was formerly known as the Emerging Markets Traders Association, or a recognized successor thereto.

### **EMTA Template Terms**

With respect to a given FX Product, the EMTA Template Terms shall be all terms prescribed by EMTA for the confirmation of such FX Product in the relevant Currency Pair.

### **FX Clearing Member**

A CME Clearing Member that is authorized to submit FX Products to CME Clearing for clearing pursuant to these Rules.

### **FX Contract**

A FX Product that has been accepted for clearing by CME Clearing.

### **FX Definitions**

The 1998 FX and Currency Options Definitions (including Annex A thereto) as published and amended from time to time by the International Swaps and Derivatives Association, Inc. ("ISDA") and EMTA.

### **FX Participant**

A market participant on whose behalf a FX Clearing Member holds a position in a FX Contract.

### **FX Product**

At any time, a non-deliverable "forward" foreign exchange ("FX") transaction:

- (a) which is executed between counterparties on an over-the-counter ("OTC") basis (including, for the avoidance of doubt, any such transaction executed through a swap execution facility or other trading platform),
- (b) in which the counterparties agree to the exchange ("delivery") of the relevant Currency Pair at a maturity date greater than one or two business days in the future, and
- (c) which is designated by CME Clearing as eligible for clearing at such time.

### **Relevant EMTA Template Terms**

With respect to a given FX Contract, the EMTA Template Terms for the FX Product

corresponding to such FX Contract that are in effect on the Acceptance Date of such FX Contract, except to the extent otherwise provided in the Rules. For the avoidance of doubt, if a second EMTA Template for such FX Product becomes effective after the Acceptance Date of such FX Contract, such second EMTA Template shall not apply to the terms of such FX Contract, nor shall it amend the Relevant EMTA Template Terms of such FX Contract, unless otherwise specified by CME Clearing.

#### **Termination Date**

The Termination Date of a FX Product shall be the maturity date of such FX Product, as agreed by the counterparties, provided that such maturity date shall occur no sooner than 2 calendar days, and no later than 2 years and 2 calendar days, after the Clearing Business Day on which such FX Product is submitted for clearing to CME Clearing.

### **60003.**

#### **NOTICES**

Any notice, document, communication, filing or form to be served on, filed with, made to or provided by CME Clearing to an FX Clearing Member pursuant to the Rules or in relation to any FX Contract or FX Product shall be served, filed, made or provided in accordance with these Rules and the relevant procedures set forth in the CME Clearing Manual from time to time.

Any notice, document, communication, filing or form to be served on, filed with, made to or provided by CME Clearing pursuant to the Rules or in relation to any FX Contract or FX Product shall be served, filed, made or provided in accordance with the Rules and the relevant procedures set forth in CME Clearing Manual from time to time.

Notwithstanding any other provision of these Rules, for so long as CME Clearing is unable to receive or deliver, or an FX Clearing Member is unable to deliver, any notice as a result of a failure, malfunction, suspension, or termination of all or any part of any of the relevant Clearing House systems, the time periods for delivery of any such notice will be tolled and any applicable delivery deadlines shall be extended accordingly.

### **60004.**

#### **DISCLAIMERS**

Neither ISDA® nor EMTA bears any responsibility or liability arising from the reproduction, public display, incorporation, dissemination or reference to all or any of the FX Definitions or the EMTA Template Terms. © 1998 International Swaps and Derivatives Association, Inc., Emerging Markets Traders Association, The Foreign Exchange Committee.

### **60005.**

#### **REGISTRATION**

##### **60005.A. FX Clearing Members**

A FX Clearing Member must register with CME in order to clear FX Contracts through CME Clearing. FX Clearing Members and FX Participants must complete all applicable on-boarding agreements required by CME Clearing to satisfy the registration process.

##### **60005.B. FX Participants**

In order for a FX Participant to participate in the clearing of FX Contracts through CME Clearing, such FX Participant's FX Clearing Member must register the account of such FX Participant with CME prior to submitting FX Products on behalf of such Participant for clearing by CME Clearing and shall comply with any requirements of Rule 8F009. ("Customer Registration").

##### **60005.C Eligible Contract Participant**

In order to transact in FX Contracts, a FX Participant must be an eligible contract participant ("ECP") pursuant to at least one of the applicable limbs of the definition provided in Section 1a(18) of the Commodity Exchange Act. A FX Clearing Member that clears FX Contracts must obtain a representation from each FX Participant for which it provides clearing services that

such FX Participant is, and will be, an ECP at all times during which clearing services are provided for such FX Participant. If a FX Clearing Member becomes aware that a FX Participant for which it provides clearing services no longer qualifies as an ECP, such FX Clearing Member must notify CME Clearing and work with such FX Participant to close out such FX Participant's open FX Contracts as soon as possible. Violations of this Rule may subject the relevant FX Clearing Member to fines and other disciplinary action.

**60005.D. Identification of FX Contracts**

Each FX Contract shall be identified with an account number which identifies the originator of such FX Contract and which specifies whether such FX Contract is (i) a proprietary transaction of a FX Clearing Member duly registered with CME Clearing or (ii) a transaction by a FX Participant duly registered with CME Clearing.

**60006.**

**SUBMISSION OF FX PRODUCTS TO THE CLEARING HOUSE**

**60006.A. FX Product Submission Methods**

FX Products shall be submitted to CME Clearing for clearing through (a) the CME ClearPort GUI and API, or (b) the CME Clearing migration utility, or (c) any other facility or trade platform approved by CME Clearing from time to time. To the extent not specified elsewhere in these Rules, CME Clearing shall specify the terms and conditions under which FX Products shall be submitted to CME Clearing for clearing.

**60006.B. Acceptance of FX Product by CME Clearing and Creation of FX Contract**

Any FX Product executed between two counterparties on an OTC basis (i) that is submitted to CME Clearing in accordance with the Rules and with all required elections, (ii) that satisfies the conditions in Rule 8F005. ("Substitution and Timeframe of Acceptance for Clearing"), (iii) that is within the FX Product scope prescribed by CME Clearing, and (iv) for which both corresponding FX Clearing Members have accepted the resultant FX Contract, shall be accepted for clearing and shall result in two FX Contracts in accordance with Rule 8F005.

Notwithstanding any provision to the contrary in the Rules or in the Exchange User License Agreement (as may be amended from time to time), the parties to a bilateral FX Product transaction which has been submitted for clearing, but which has not been accepted for clearing by CME Clearing pursuant to these Rules, may separately agree that such bilateral FX Product transaction (i) is a valid and binding agreement between the parties, (ii) is uncleared and (iii) has no affiliation with CME Clearing.

**60006.C. Last Day of Clearing**

The last day on which a FX Product may be submitted for clearing in respect of a specified Valuation Date shall be the same Clearing Business Day as such Valuation Date.

## **EXHIBIT B**

### **CME Rulebook**

(additions are underlined)

### **CME Chapter 601 Cleared OTC Non-Deliverable Forward FX Contract Terms**

#### **60101.**

#### **SCOPE OF CHAPTER**

The terms and conditions of each FX Contract shall be defined by this Chapter, as supplemented by the FX Definitions, the Relevant EMTA Template Terms, and the relevant Contract Elections, and as further supplemented and amended by provisions of the Rules. Capitalized terms in this Chapter that are not otherwise defined in either this Chapter or the other Chapters of the Rules shall have the meanings set forth in the FX Definitions.

Unless otherwise specified, times referred to herein shall refer to and indicate New York time.

#### **60102.**

#### **CONTRACT TERMS**

Each FX Contract is supplemented by the FX Definitions and the Relevant EMTA Template Terms, and the Contract Elections for such FX Contract.

#### **60102.A. Calculation Agent**

The Calculation Agent for each FX Contract shall be CME Clearing or its designee for all purposes. For the avoidance of doubt, the Calculation Agent shall not be required to consult with the parties to a FX Contract prior to making any determination that is required or permitted to be made by the Calculation Agent or Agents for such FX Contract.

#### **60102.B. Settlement Currency**

For any FX Contract, the settlement currency shall be U.S. dollars.

#### **60202. C. Unit of Clearing and Minimum Price Increment**

1. In respect of the Currency Pair that is the subject of a given FX Contract, the Unit of Clearing shall be U.S. dollars in increments of 0.01 U.S. dollars.
2. The Minimum Price Increment for any FX Contract shall be a given unit of the corresponding Reference Currency per one (1) U.S. dollar, as set forth in Exhibit 60102.C.1.

#### **Exhibit 60102.C.1. Currency Pairs and Minimum Price Increments**

<b><u>Currency Pair</u></b> (Reference Currency per U.S. Dollar)	<b><u>Minimum Price Increment</u></b> (Units of Reference Currency per one (1) U.S. Dollar)
<b><u>BRL (Brazilian Real)</u></b>	0.000001 Brazilian Real
<b><u>CLP (Chilean Peso)</u></b>	0.0001 Chilean Peso
<b><u>CNY (Chinese Renminbi)</u></b>	0.0001 Chinese Renminbi
<b><u>COP (Colombian Peso)</u></b>	0.01 Colombian Peso
<b><u>IDR (Indonesian Rupiah)</u></b>	0.01 Indonesian Rupiah
<b><u>INR (Indian Rupee)</u></b>	0.0001 Indian Rupee
<b><u>KRW (Korean Won)</u></b>	0.0001 Korean Won
<b><u>MYR (Malaysian Ringgit)</u></b>	0.000001 Malaysian Ringgit

<b>PEN (Peruvian Nuevo Sol)</b>	0.000001 Peruvian Nuevo Sol
<b>PHP (Philippine Peso)</b>	0.001 Philippine Peso
<b>RUB (Russian Ruble)</b>	0.000001 Russian Ruble
<b>TWD (Taiwan Dollar)</b>	0.001 Taiwan Dollar

**60102.D. Hours for Clearing Entry**

CME Clearing shall determine the hours during which FX Products may be submitted to CME Clearing for clearing as FX Contracts.

**60102.E. Valuation Dates for Final Settlement Price Determination**

Prior to submission to CME Clearing for clearing, a FX Product shall be specified for a Final Settlement Price determination on a Valuation Date that is mutually agreed by the relevant FX Participants, and that is accepted by CME Clearing as a valid Valuation Date for the Currency Pair corresponding to such FX Product, in accordance with the Relevant EMTA Template Terms.

**360102.F. Delivery and Liquidation**

1. **At Maturity.** A FX Contract that remains outstanding on such FX Contract's Valuation Date shall be financially settled pursuant to Rule 60104.
2. **Prior to Maturity.** Standard offsets of futures and options on futures shall not apply to positions in FX Contracts. For FX Contracts for a specified Valuation Date, positions may be closed out prior to such Valuation Date upon the request of the relevant FX Clearing Member to CME Clearing, in the manner prescribed by CME Clearing.

**60102.G. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**60104.**

**CASH SETTLEMENT**

**60104.A. Final Settlement Price and Final Settlement Amount**

A FX Contract remaining open on such FX Contract's Valuation Date shall be cash settled by reference to the difference between the Final Settlement Price for such FX Contract minus the original trade price of such FX Contract as submitted for clearing to CME Clearing ("Difference").

Such Final Settlement Price shall be equal to the value of the relevant Settlement Rate Option, as specified in the Relevant EMTA Template, rounded to the nearest applicable Minimum Price Increment set forth in Rule 60102.C. If the specified Settlement Rate Option is unavailable for determination of a Final Settlement Price, then such Final Settlement Price shall be determined in accordance with the applicable disruption fallback alternatives for the determination of the Settlement Rate, as set forth in the Relevant EMTA Template. If such disruption fallback alternatives fail to provide a Settlement Rate, then such Final Settlement

Price shall be determined by the Exchange, in its role as Calculation Agent, pursuant to Rule 812.

The Final Settlement Amount for such FX Contract shall be denominated in U.S. dollars, and shall be the product of (i) such Difference and (ii) the Notional Amount of such FX Contract in the applicable Reference Currency, divided by the Final Settlement Price for such Valuation Date.

If such Final Settlement Amount is positive, then CME Clearing shall debit the selling FX Clearing Member's account and credit the buying FX Clearing Member's account for such Final Settlement Amount. If such Final Settlement Amount is negative, then CME Clearing shall debit the buying FX Clearing Member's account and credit the selling FX Clearing Member's account for such Final Settlement Amount.

#### **60104.B. Discontinuation of a Settlement Rate Option**

For any FX Contract, if:

- (a) the provider of the corresponding Settlement Rate Option has publicly announced that it will discontinue publication of such Settlement Rate Option ("**Discontinued Settlement Rate Option**"); and
- (b) EMTA has publicly announced amendments to the Relevant EMTA Template Terms so as to specify that an alternative Settlement Rate Option ("**Alternative Settlement Rate Option**") shall replace such Discontinued Settlement Rate Option as of a specified date ("**Effective Substitution Date**"); and
- (c) the Final Settlement Price of such FX Contract has not been determined as of such Effective Substitution Date;

then such FX Contract shall be deemed an Affected FX Contract for which CME Clearing shall reserve the authority (i) to amend the applicable Settlement Rate Option so as to reference such Alternative Settlement Rate Option, effective as of the Effective Substitution Date, and (ii) to make such other amendments to such Affected FX Contract as may be required, by written notice to all FX Clearing Participants.

Any omission or failure to give notice under this provision to, or the non-receipt of notice by, any FX Clearing Participant shall not invalidate the amendment with which the notice is concerned.

#### **60104.C. Continuation of a Legacy Settlement Rate Option**

For any FX Contract, if:

- (a) EMTA has publicly announced amendments to the Relevant EMTA Template Terms so as to specify an Alternative Settlement Rate Option in place of the existing Settlement Rate Option as of an Effective Substitution Date; and
- (b) the Final Settlement Price of such FX Contract has not been determined as of such Effective Substitution Date; and
- (c) the provider of the existing Settlement Rate Option continues the publication of such Settlement Rate Option ("**Legacy Settlement Rate Option**");

then such FX Contract shall not be deemed an Affected FX Contract. If at any time after such Effective Substitution Date the provider of the Legacy Settlement Rate Option discontinues the publication of the Legacy Settlement Rate Option, then the FX Contract thereupon shall be deemed an Affected FX Contract in accordance with Rule 60104.B., and the relevant date of discontinuation thereupon shall be deemed the Effective Substitution Date.

**60104.D. Amendments to Timings**

CME Clearing may amend the timings of notifications, deliveries, and transfers under this Rule to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.

**60105.**

**DISPUTES**

All disputes between interested parties shall be settled by arbitration as provided in the Rules.

**60106.**

**CONTRACT MODIFICATIONS**

**60106. A. CME Rules**

The terms of FX Contracts may be modified by CME in accordance with the Rules, with such modification to be incorporated into the Rules of this Chapter and to be applicable to all FX Contracts that are entered into subsequent to the relevant date of modification.

**60106. B. Change in Law or Regulation**

If any governmental agency or body with jurisdiction over CME issues an order, ruling, directive or law that conflicts with the requirements of the Rules of this Chapter, CME shall make such amendments and modifications to these Rules as it deems appropriate in its sole discretion in order to reflect the application of such order, ruling, directive or law, and such changes to these Rules shall be applicable to all FX Contracts that are open as of, or entered into subsequent to, the relevant effective date of the order, ruling, directive or law.

## EXHIBIT C

### CME Rulebook

#### CME Rulebook Chapters 257H, 260H, 270H, 271H, 273H, 274H, 277H, 279H, 280H, 281H, 282H and 283H

(deletions are struckthrough)

#### **Chapter 257H**

#### **Cleared OTC U.S. Dollar/ Brazilian Real (USD/BRL) Spot, Forwards and Swaps**

##### **257H.00. SCOPE OF CHAPTER**

~~This chapter is limited in application to U.S. dollar/ Brazilian real Spot, Forwards, and Swaps that are executed between two counterparties on an Over the Counter ("OTC") basis and subsequently novated to the CME Clearing House for purposes of clearance ("Cleared OTC Contracts"). Parties to transactions in Cleared OTC Contracts shall be limited to "eligible contract participants" as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8-F of the CME Rulebook (Over the Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuation currency is the Brazilian real and the clearing unit currency is the U.S. dollar.~~

~~For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.~~

##### **257H.01. CONTRACT SPECIFICATIONS**

###### **257H.01.A. Unit of Clearing**

~~The unit of clearing shall be 1 U.S. dollar in any amount to a precision of 0.01 U.S. dollar.~~

###### **257H.01.B. Hours for Clearing Entry**

~~The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.~~

###### **257H.01.C. Minimum Price Increments**

~~Minimum price fluctuations shall be in multiples of 0.000001 Brazilian real per U.S. dollar for transactions in Cleared OTC Contracts.~~

###### **257H.01.D. Valid Value Dates for Cash Settlement**

~~Cleared OTC Contracts shall be cash settled for any valid value date mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.~~

###### **257H.01.E. Delivery Price and Delivery Value**

~~Delivery for Cleared OTC Contracts assigned pursuant to Chapter 257H shall be by cash settlement according to Rule 257H.02.~~

###### **257H.01.F. Position Limits, Exemptions, Position Accountability and Reportable Levels**

~~The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.~~

~~A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.~~

~~Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.~~

###### **257H.01.G. Last Day of Clearing**

The last day on which a transaction in a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one (1) valid Business Day prior to the cash settlement date.

#### **257H.01.H. — Liquidation and Delivery Standards**

(1) — At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 257H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 257H.02 and in a manner prescribed by the Clearing House.

(2) — Prior to Maturity. Standard offsets of futures and options on futures shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.

#### **257H.01.I. — [Reserved]**

### **257H.02. — CASH SETTLEMENT**

#### **257H.02.A. — Day of Cash Settlement**

Each Cleared OTC Contract, for a valid value date for cash settlement in two Business Days, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price for that day. The daily Final Settlement Price shall be determined as the reciprocal of the Final Settlement Price determined per the procedures set forth in Rule 25702.B., Cash Settlement, rounded to the nearest integral multiple of the minimum price increment as identified per Rule 257H.01.C., Minimum Price Increments.

All open positions for that valid value date for cash settlement will be cash settled in the minimum fluctuation currency based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing, times the notional value of the transaction in the clearing unit currency, and divided by the Final Settlement Price for the valid value date for cash settlement.

In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.

#### **257H.02.B. — Procedures if No Cash Settlement Price is Available**

In the event that the Final Settlement Price for a valid value date for cash settlement cannot be published on a given day by CME, and in order to minimize basis risk, the Exchange shall determine a Final Settlement Price as the reciprocal of the Final Settlement Price determined per procedures set forth in the INTERPRETATION TO CHAPTER 257.

#### **257H.02.C. — Amendments to Timings**

The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 257H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.

### **257H.03. — DISPUTES**

All disputes between interested parties may be settled by arbitration as provided in the Rules.

(End Chapter 257H)

## **Chapter 260H**

### **Cleared OTC U.S. Dollar / Russian Ruble (USD/ RUB) Spot, Forwards and Swaps**

#### **260H.00. — SCOPE OF CHAPTER**

This chapter is limited in application to U.S. dollar / Russian ruble Spot, Forwards, and Swaps that are executed between two counterparties on an Over the Counter ("OTC") basis and subsequently novated to the CME Clearing House for purposes of clearance ("Cleared OTC Contracts"). Parties to transactions in Cleared OTC Contracts shall be limited to "eligible contract participants" as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8 F of the CME Rulebook (Over the Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuation currency is the Russian ruble and the clearing-unit currency is the U.S. dollar.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate

Chicago time.

## **260H.01. CONTRACT SPECIFICATIONS**

### **260H.01.A. Unit of Clearing**

The unit of clearing shall be 1 U.S. dollar in any amount to a precision of 0.01 U.S. dollar.

### **260H.01.B. Hours for Clearing Entry**

The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.

### **260H.01.C. Minimum Price Increments**

Minimum price fluctuations shall be in multiples of 0.000001 Russian ruble per U.S. dollar for transactions in Cleared OTC Contracts.

### **260H.01.D. Valid Value Dates for Cash Settlement**

Cleared OTC Contracts shall be cash settled for any valid value date mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.

### **260H.01.E. Delivery Price and Delivery Value**

Delivery for Cleared OTC Contracts assigned pursuant to Chapter 260H shall be by cash settlement according to Rule 260H.02.

### **260H.01.F. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

### **260H.01.G. Last Day of Clearing**

The last day on which a transaction in a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one (1) valid Business Day prior to the cash settlement date.

### **260H.01.H. Liquidation and Delivery Standards**

(1) At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 260H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 260H.02 and in a manner prescribed by the Clearing House.

(2) Prior to Maturity. Standard offsets of futures and options on futures shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.

### **260H.01.I. [Reserved]**

## **260H.02. CASH SETTLEMENT**

### **260H.02.A. Day of Cash Settlement**

~~Each Cleared OTC Contract, for a valid value date for cash settlement in one Business Day, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price for that day. The daily Final Settlement Price shall be determined as the reciprocal of the Final Settlement Price per the procedures set forth in Rule 26002.B., Cash Settlement, rounded to the nearest integral multiple of the minimum price increment as identified per Rule 260H.01.C., Minimum Price Increments.~~

~~All open positions for that valid value date for cash settlement will be cash settled in the clearing unit currency based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing, times the notional value of the transaction in the clearing unit currency and divided by the Final Settlement Price for the valid value date for cash settlement.~~

~~In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.~~

**260H.02.B. — Procedures if No Cash Settlement Price is Available**

~~In the event that the Final Settlement Price for a valid value date for cash settlement cannot be published on a given day by CME, and in order to minimize basis risk, the Exchange shall determine a Final Settlement Price per procedures set forth in the INTERPRETATION TO CHAPTER 260.~~

**260H.02.C. — Amendments to Timings**

~~The Exchange may amend the timings of notifications deliveries, and transfers under this Rule 260H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.~~

**260H.03. — DISPUTES**

~~All disputes between interested parties may be settled by arbitration as provided in the Rules.  
(End Chapter 260H)~~

**Chapter 270H**  
**Cleared OTC U.S. Dollar/ Chinese Renminbi (USD/RMB) Spot,  
Forwards and Swaps**

**270H.00. — SCOPE OF CHAPTER**

~~This chapter is limited in application to U.S. dollar/ Chinese renminbi Spot, Forwards, and Swaps that are executed between two counterparties on an Over the Counter ("OTC") basis and subsequently novated to the CME Clearing House for purposes of clearance ("Cleared OTC Contracts"). Parties to transactions in Cleared OTC Contracts shall be limited to "eligible contract participants" as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8-F of the CME Rulebook (Over the Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuation currency is the Chinese renminbi and the clearing unit currency is the U.S. dollar.~~

~~For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.~~

**270H.01. — CONTRACT SPECIFICATIONS**

**270H.01.A. — Unit of Clearing**

~~The unit of clearing shall be 1 U.S. dollar in any amount to a precision of 0.01 U.S. dollar.~~

**270H.01.B. — Hours for Clearing Entry**

~~The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.~~

**~~270H.01.C. — Minimum Price Increments~~**

~~Minimum price fluctuations shall be in multiples of 0.0001 Chinese renminbi per U.S. dollar for transactions in Cleared OTC Contracts.~~

**~~270H.01.D. — Valid Value Dates for Cash Settlement~~**

~~Cleared OTC Contracts shall be cash settled for any valid value date mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.~~

**~~270H.01.E. — Delivery Price and Delivery Value~~**

~~Delivery for Cleared OTC Contracts assigned pursuant to Chapter 270H shall be by cash settlement according to Rule 270H.02.~~

**~~270H.01.F. — Position Limits, Exemptions, Position Accountability and Reportable Levels~~**

~~The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.~~

~~A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.~~

~~Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.~~

**~~270H.01.G. — Last Day of Clearing~~**

~~The last day on which a transaction in a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one (1) valid Business Day prior to the cash settlement date.~~

**~~270H.01.H. — Liquidation and Delivery Standards~~**

~~(1) — At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 270H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 270H.02 and in a manner prescribed by the Clearing House.~~

~~(2) — Prior to Maturity. Standard offsets of futures and options on futures shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.~~

**~~270H.01.I. — [Reserved]~~**

**~~270H.02. — CASH SETTLEMENT~~**

**~~270H.02.A. — Day of Cash Settlement~~**

~~Each Cleared OTC Contract, for a valid value date for cash settlement in one Business Day, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price for that day. The daily Final Settlement Price shall be determined as the reciprocal of the Final Settlement Price determined per the procedures set forth in Rule 27002.B., Cash Settlement, rounded to the nearest integral multiple of the minimum price increment as identified per~~

#### ~~Rule 270H.01.C., Minimum Price Increments.~~

~~All open positions for that valid value date for cash settlement will be cash settled in the clearing unit currency based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing, times the notional value of the transaction in the clearing unit currency, and divided by the Final Settlement Price for the valid value date for cash settlement.~~

~~In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.~~

#### ~~270H.02.B. — Procedures if No Cash Settlement Price is Available~~

~~In the event that the Final Settlement Price for a valid value date for cash settlement cannot be published on a given day by CME, and in order to minimize basis risk, the Exchange shall determine a Final Settlement Price as the reciprocal of the Final Settlement Price determined per procedures set forth in the INTERPRETATION TO CHAPTER 270.~~

#### ~~270H.02.C. — Amendments to Timings~~

~~The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 270H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.~~

#### ~~270H.03. — DISPUTES~~

~~All disputes between interested parties may be settled by arbitration as provided in the Rules. (End Chapter 270H)~~

## ~~Chapter 271H Cleared OTC U.S. Dollar/Korean Won (USD/ KRW) Spot, Forwards and Swaps~~

#### ~~271H.00. — SCOPE OF CHAPTER~~

~~This chapter is limited in application to U.S. dollar/Korean won Spot, Forwards, and Swaps that are executed between two counterparties on an Over the Counter ("OTC") basis and subsequently novated to the CME Clearing House for purposes of clearance ("Cleared OTC Contracts"). Parties to transactions in Cleared OTC Contracts shall be limited to "eligible contract participants" as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8-F of the CME Rulebook (Over the Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuation currency is the Korean won and the clearing unit currency is the U.S. dollar.~~

~~For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.~~

#### ~~271H.01. — CONTRACT SPECIFICATIONS~~

##### ~~271H.01.A. — Unit of Clearing~~

~~The unit of clearing shall be 1 U.S. dollar in any amount to a precision of 0.01 U.S. dollar.~~

##### ~~271H.01.B. — Hours for Clearing Entry~~

~~The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.~~

##### ~~271H.01.C. — Minimum Price Increments~~

~~Minimum price fluctuations shall be in multiples of 0.0001 Korean won per U.S. dollar for transactions in Cleared~~

~~OTC Contracts.~~

~~**271H.01.D. — Valid Value Dates for Cash Settlement**~~

~~Cleared OTC Contracts shall be cash settled for any valid value date mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.~~

~~**271H.01.E. — Delivery Price and Delivery Value**~~

~~Delivery for Cleared OTC Contracts assigned pursuant to Chapter 271H shall be by cash settlement according to Rule 271H.02.~~

~~**271H.01.F. — Position Limits, Exemptions, Position Accountability and Reportable Levels**~~

~~The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.~~

~~A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.~~

~~Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.~~

~~**271H.01.G. — Last Day of Clearing**~~

~~The last day on which a transaction in a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one (1) valid Business Day prior to the cash settlement date.~~

~~**271H.01.H. — Liquidation and Delivery Standards**~~

~~(1) — At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 271H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 271H.02 and in a manner prescribed by the Clearing House.~~

~~(2) — Prior to Maturity. Standard offsets of futures and options on futures shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.~~

~~**271H.01.I. — [Reserved]**~~

~~**271H.02. — CASH SETTLEMENT**~~

~~**271H.02.A. — Day of Cash Settlement**~~

~~Each Cleared OTC Contract, for a valid value date for cash settlement in one Business Day, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price for that day. The daily Final Settlement Price shall be determined as the reciprocal of the Final Settlement Price per the procedures set forth in Rule 27102.B., Cash Settlement, rounded to the nearest integral multiple of the minimum price increment as identified per Rule 271H.01.C., Minimum Price Increments.~~

~~All open positions for that valid value date for cash settlement will be cash settled in the clearing unit currency based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing, times the notional value of the transaction in the clearing unit currency and divided by the Final Settlement Price for the valid value date for cash settlement.~~

~~In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.~~

~~**271H.02.B. — Procedures if No Cash Settlement Price is Available**~~

~~In the event that the Final Settlement Price for a valid value date for cash settlement cannot be published on a given day by CME, and in order to minimize basis risk, the Exchange shall determine a Final Settlement Price per procedures set forth in the INTERPRETATION TO CHAPTER 271.~~

~~**271H.02.C. — Amendments to Timings**~~

~~The Exchange may amend the timings of notifications deliveries, and transfers under this Rule 271H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.~~

~~**271H.03. — DISPUTES**~~

~~All disputes between interested parties may be settled by arbitration as provided in the Rules. (End Chapter 271H)~~

**Chapter 273H**  
**Cleared OTC U.S. Dollar/ Colombian Peso (USD/COP) Spot, Forwards and Swaps**

~~**273H.00. — SCOPE OF CHAPTER**~~

~~This chapter is limited in application to U.S. Dollar/Colombian Peso Spot, Forwards, and Swaps that are executed between two counterparties on an Over-the-Counter ("OTC") basis and subsequently novated to the CME Clearing House for purposes of clearance ("Cleared OTC Contracts"). Parties to transactions in Cleared OTC Contracts shall be limited to "eligible contract participants" as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8-F of the CME Rulebook (Over-the-Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuations currency is the Colombian peso and the clearing unit currency is the U.S. dollar.~~

~~For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.~~

~~**273H.01. — CONTRACT SPECIFICATIONS**~~

~~**273H.01.A. — Unit of Clearing**~~

~~The unit of clearing shall be 1 U.S. Dollar in any amount down to a precision of 0.01 U.S. Dollar.~~

~~**273H.01.B. — Hours for Clearing Entry**~~

~~The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.~~

~~**273H.01.C. — Minimum Price Increments**~~

~~Minimum price fluctuations shall be in multiples of 0.01 Colombian Peso per U.S. Dollar for transactions in Cleared OTC Contracts.~~

~~**273H.01.D. — Valid Value Dates for Cash Settlement**~~

~~Cleared OTC Contracts shall be cash settled for any valid value date(s) mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the~~

countries of issue for both currencies.

#### **273H.01.E. — Delivery Price and Delivery Value**

~~Delivery for the Cleared OTC Contracts assigned pursuant to Chapter 273H shall be by cash settlement according to Rule 273H.02.~~

#### **273H.01.F. — Position Limits, Exemptions, Position Accountability and Reportable Levels**

~~The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.~~

~~A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.~~

~~Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.~~

#### **273H.01.G. — Last Day of Clearing**

~~The last day on which a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one valid Business Day prior to the cash settlement date.~~

#### **273H.01.H. — Liquidation and Delivery Standards**

~~(1) At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 273H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 273H.02 and in a manner prescribed by the Clearing House.~~

~~(2) Prior to Maturity. Standard offsets of futures and options on futures, if applicable, shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.~~

#### **273H.01.I. — [Reserved]**

### **273H.02. — CASH SETTLEMENT**

#### **273H.02.A. — Day of Cash Settlement**

~~Each Cleared OTC Contract, for the valid value date for cash settlement in two Business Days, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price (FSP) for that day. The daily Final Settlement Price shall be equal to the Colombian official exchange rate — the Tasa Representativa del Mercado or TRM (also known as the Colombian Peso index) as published by Superintendencia Financiera de Colombia on the Central bank of Colombia's Web site (see <http://www.banrep.gov.co/en/node/29467> for the daily TRM) on the valid value date for cash settlement, rounded to two decimal places. This rate is used widely by the interbank foreign exchange market to cash settle non-deliverable forward contracts for Colombian peso versus U.S. dollars. All open positions for that valid value date for cash settlement will be cash settled in U.S. dollars based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing times the notional value of the transaction in USDs divided by Final Settlement Price. In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.~~

~~For example, if the TRM for the valid value date for cash settlement in two Business Days, is as follows: "Market Exchange Rate for MMMMM, DD-YYYY is 1887.80 COP per USD," and the original trade price submitted for clearing by clearing firms of the buyer and seller was 1801.44 COP per USD for a notional amount of 100,000~~

USD, then the Clearing House on the Business Day following the valid value date for cash settlement shall credit the clearing members account for the buyer with US\$4,574.64 (i.e., 1,887.80 COP per USD — 1,801.44 COP per USD — (+86.36 COP per USD x 100,000 USD) / 1,887.80 COP per USD) = \$4,574.64.). Similarly, the Clearing House on the Business Day following the valid value date for cash settlement shall debit the clearing member account for the seller with US\$4,574.64.

#### **273H.02.B. — Procedures if No Cash Settlement Price is Available**

In the event that the “Tasa Representativa del Mercado or TRM” Colombian peso per U.S. dollar rate for a valid value date for cash settlement is not published on a given day by Superintendencia Financiera de Colombia, and in order to minimize basis risk between the U.S. dollar / Colombian peso cleared only contracts and the non-deliverable forward (“NDF”) market, the Exchange shall determine a Final Settlement Price based on the EMTA COP Indicative Survey Rate (COP03), when available. The EMTA COP Indicative Survey Rate Methodology follows this chapter in an Interpretation. In the event that the “Tasa Representativa del Mercado or TRM” Colombian peso per U.S. dollar rate is not published on a valid date for cash settlement and the EMTA COP Indicative Survey does not provide a rate, then Force Majeure shall be in effect.

#### **273H.02.C. — Amendments to Timings**

The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 273H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.

#### **273H.03. — DISPUTES**

All disputes between interested parties may be settled by arbitration as provided in the Rules.

### **INTERPRETATION TO CHAPTER 273H**

In order to reduce basis risk for market participants trading and/or clearing CME cleared only U.S. dollar/Columbian peso spot, forwards and swaps, over-the-counter (OTC) NDF U.S. dollar / Colombian peso transactions and CME Colombian peso/ U.S. dollar futures and options on futures contracts, if applicable, CME has also adopted procedures to settle terminated cleared only U.S. dollar/ Colombian peso spot, forward and swap contracts to the EMTA COP Indicative Survey Rate when the “Tasa Representativa del Mercado or TRM” Colombian peso per U.S. dollar rate is unavailable.

#### **I. — The EMTA COP Indicative Survey**

- ~~Commencing the Indicative Survey: (A) on any Business Day on which a Price Source Disruption has occurred or is continuing OR (B) on any Valuation Date that is NOT a Business Day (or that would have been a Business Day but for the occurrence of an Unscheduled Holiday), and in each case following the lapse of a 30 calendar day period during which the primary settlement rate option shall have been continuously unavailable and as a consequence valuation shall have been deferred or postponed, upon receipt of a Valid Survey Request, EMTA (or a service provider EMTA shall select in its sole discretion) shall conduct a survey of financial institutions for the purpose of determining the EMTA COP Indicative Survey Rate for that day.~~
- ~~Valid Survey Request: A “Valid Survey Request” is a request received by EMTA from not less than two unaffiliated EMTA members not later than 5 business days before the contemplated start of the Survey.~~
- ~~Polled Banks: For purposes of determining the EMTA COP Indicative Survey Rate for any Valuation Date, at approximately 11:30 a.m. (Bogotá time<sup>1</sup>), EMTA (or a service provider EMTA may select in its sole discretion) shall survey no more than 30 randomly selected financial institutions that are active participants in the Colombian Peso / U.S. Dollar market (each, a “Participating Bank”).~~

- ~~Survey Question: Each Participating Bank will be asked to provide its reasonable judgment of what is (or, in the case of an Unscheduled Holiday, would be) the current prevailing free market Colombian Peso spot rate (bid-offer pair) for a standard size Colombian Peso/U.S. Dollar wholesale financial transaction for same-day settlement in the Colombian marketplace on the Valuation Date. In arriving at this indicative quotation, survey participants will be directed to take such factors into consideration as they deem appropriate, which factors may (but need not) include any or all of the following: the spot rate(s) implied in the offshore non-deliverable foreign exchange market for Colombian Peso/U.S. Dollar transactions; the spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business); the spot rate used in connection with any commercial transactions for goods or services from~~

<sup>4</sup>New York time and Bogotá time are the same when it is Standard Time in New York. New York time is one hour ahead of Bogotá Time when it is Daylight Savings Time in New York. Bogotá does not observe Daylight Savings Time.

~~The COP Indicative Survey will be discontinued (a) following the publication of a COP TRM Rate (COP02) (or any successor primary settlement rate option) on any Valuation Date or (b) on the third day following polling for the COP Indicative Survey Rate that results in less than 8 responses for more than two consecutive polling days. Notwithstanding the foregoing, nothing herein shall be construed to prevent EMTA from re-initiating the COP Indicative Survey at an appropriate time in the future.~~

~~A notice that the COP Indicative Survey has been discontinued will be published on the Publication Site.~~

#### ~~VI. Amendments to the Methodology~~

~~EMTA may, in its discretion, from time to time, make such administrative, procedural or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the COP Indicative Survey.~~

#### ~~VII. Disclaimer~~

~~EMTA (and any service provider EMTA may select) disclaim liability for the COP Indicative Survey Rate, and no representation or warranty, express or implied, is made concerning the COP Indicative Survey Rate (including, without limitation, the methodology for determining the COP Indicative Survey Rate and its suitability for any particular use).~~

### **Chapter 274H**

#### **Cleared OTC U.S. Dollar/ Chilean Peso (USD/CLP) Spot, Forwards\* and Swaps**

##### **274H.00. SCOPE OF CHAPTER**

~~This chapter is limited in application to U.S. Dollar/Chilean Peso Spot, Forwards, and Swaps that are executed between two counterparties on an Over-the-Counter (“OTC”) basis and subsequently novated to the CME Clearing House for purposes of clearance (“Cleared OTC Contracts”). Parties to transactions in Cleared OTC Contracts shall be limited to “eligible contract participants” as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing-only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8-F of the CME Rulebook (Over-the-Counter Derivative Clearing). For purposes of these Rules, the minimum-fluctuations currency is the Chilean peso and the clearing-unit currency is the U.S. dollar.~~

~~For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate~~

Chicago time.

## **274H.01. CONTRACT SPECIFICATIONS**

### **274H.01.A. Unit of Clearing**

The unit of clearing shall be 1 U.S. Dollar in any amount down to a precision of 0.01 U.S. Dollar.

### **274H.01.B. Hours for Clearing Entry**

The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.

### **274H.01.C. Minimum Price Increments**

Minimum price fluctuations shall be in multiples of 0.0001 Chilean Peso per U.S. Dollar for transactions in Cleared OTC Contracts.

### **274H.01.D. Valid Value Dates for Cash Settlement**

Cleared OTC Contracts shall be cash settled for any valid value date(s) mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.

### **274H.01.E. Delivery Price and Delivery Value**

Delivery for the Cleared OTC Contracts assigned pursuant to Chapter 274H shall be by cash settlement according to Rule 274H.02.

### **274H.01.F. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

### **274H.01.G. Last Day of Clearing**

The last day on which a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one valid Business Day prior to the cash settlement date.

### **274H.01.H. Liquidation and Delivery Standards**

(1) At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 274H.01.G. of this chapter, outstanding

\* This cash settled forward contract is not an 'excluded' forward contract as defined by the Commodity Exchange Act, Commodity Futures Trading Commission Rules, Regulations, Policies, Interpretations or Precedent.

contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 274H.02 and in a manner prescribed by the Clearing House.

(2) Prior to Maturity. Standard offsets of futures and options on futures, if applicable, shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.

### **274H.01.I. [Reserved]**

## **274H.02. CASH SETTLEMENT**

### **274H.02.A. Day of Cash Settlement**

Each Cleared OTC Contract, for the valid value date for cash settlement in two Business Days, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price for that day. The daily Final Settlement Price shall be equal to the spot exchange rate of Chilean peso per U.S. dollar, "CLP DÓLAR OBS (CLP10)," as reported for that day by Banco Central de Chile for the formal exchange market

which is available at approximately 10:30 AM Santiago time and rounded to four decimal places. This rate is used widely by the interbank foreign exchange market to cash settle non-deliverable forward contracts for Chilean peso versus U.S. dollars.

All open positions for that valid value date for cash settlement will be cash settled in U.S. dollars based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing times the notional value of the transaction in USDs divided by Final Settlement Price. In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.

For example, if the "CLP DÓLAR OBS (CLP10)" for the valid value date for cash settlement in two Business Days, is as follows: "Observado Value DD MM YYYY Close" is 547.10 Chilean pesos per U.S. dollar, and the original trade price submitted for clearing by clearing firms of the buyer and seller was 515.25 Chilean pesos per U.S. dollar for a notional amount of 100,000 U.S. dollars, then the Clearing House on the Business Day following the valid value date for cash settlement shall credit the clearing member account for the buyer with \$5,821.60 (i.e.,  $547.10 \text{ CLP per USD} -$

$515.25 \text{ CLP per USD} = (+31.85 \text{ CLP per USD} \times 100,000 \text{ USD}) / 547.10 \text{ CLP per USD} =$  \$5,821.60.). Similarly, the Clearing House on the Business Day following the valid value date for cash settlement shall debit the clearing member account for the seller with \$5,821.60.

For example also, if the "CLP DÓLAR OBS (CLP10)" for the valid value date for cash settlement in two Business Days, is as follows: "Observado Value DD MM YYYY Close" is 515.25 Chilean pesos per U.S. dollar, and the original trade price submitted for clearing was 547.10 Chilean pesos per U.S. dollar for a notional amount of 100,000 U.S. dollars, then the Clearing House on the Business Day following the valid value date for cash settlement shall debit the buyer's clearing member account with \$6,181.47 (i.e.,  $515.25 \text{ CLP per USD} - 547.10 \text{ CLP per USD} = (-31.85 \text{ CLP per USD} \times 100,000 \text{ USD}) / 515.25 \text{ CLP per USD} =$  -\$6,181.47.). Similarly, the Clearing House on the Business Day following the valid value date for cash settlement shall credit the clearing member account for the seller with \$6,181.47.

#### **274H.02.B. Procedures if No Cash Settlement Price is Available**

In the event that the "CLP DÓLAR OBS (CLP10)" Chilean pesos per U.S. dollar rate for a valid value date for cash settlement is not published on a given day by Banco Central de Chile, and in order to minimize basis risk between the U.S. dollar / Chilean peso cleared only contracts and the non-deliverable forward ("NDF") market, the Exchange shall determine a Final Settlement Price based on the EMTA CLP Indicative Survey Rate (CLP11), when available. The EMTA CLP Indicative Survey Rate Methodology follows this chapter in an Interpretation. In the event that the "CLP DÓLAR OBS (CLP10)" Chilean pesos per U.S. dollar rate is not published on a valid date for cash settlement and the EMTA CLP Indicative Survey does not provide a rate, then Force Majeure shall be in effect.

#### **274H.02.C. Amendments to Timings**

The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 274H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.

#### **274H.03. DISPUTES**

All disputes between interested parties may be settled by arbitration as provided in the Rules.

### **INTERPRETATION TO CHAPTER 274H**

In order to reduce basis risk for market participants trading and/or clearing CME cleared only U.S. dollar/Chilean peso spot, forwards and swaps, over the counter (OTC) NDF U.S. dollar / Chilean peso transactions and CME Chilean peso/ U.S. dollar futures and options on futures contracts, if applicable, CME has also adopted procedures to settle terminated cleared only U.S. dollar/ Chilean peso spot, forward and swap contracts to the EMTA CLP Indicative Survey Rate when the Banco Central de Chile "CLP DóLAR OBS (CLP10)" Chilean pesos per U.S. dollar rate is unavailable.

#### **I. The EMTA CLP Indicative Survey**

- Commencing the Indicative Survey: (A) on any Business Day on which a Price Source Disruption has occurred or is continuing OR (B) on any Valuation Date that is NOT a Business Day (or that would have been a Business Day but for the occurrence of an Unscheduled Holiday), and in each case following the lapse of a 30 calendar day period during which the primary settlement rate option shall have been

~~continuously unavailable and as a consequence valuation shall have been deferred or postponed, upon receipt of a Valid Survey Request, EMTA (or a service provider EMTA shall select in its sole discretion) shall conduct a survey of financial institutions for the purpose of determining the EMTA CLP Indicative Survey Rate for that day.~~

- ~~• Valid Survey Request: A "Valid Survey Request" is a request received by EMTA from not less than two unaffiliated EMTA members not later than 5 Business Days before the contemplated start of the Survey.~~
- ~~• Polled Banks: For purposes of determining the EMTA CLP Indicative Survey Rate for any Valuation Date, at approximately 11:00 a.m. (Santiago time<sup>4</sup>), EMTA (or a service provider EMTA may select in its sole discretion) shall survey no more than 30 randomly selected financial institutions that are active participants in the Chilean Peso / U.S. Dollar market (each, a "Participating Bank").~~
- ~~• Survey Question: Each Participating Bank will be asked to provide its reasonable judgment of what is (or, in the case of an Unscheduled Holiday, would be) the current prevailing free market Chilean Peso spot rate (bid-offer pair) for a standard size Chilean Peso/U.S. Dollar wholesale financial transaction for same day settlement in the Chilean marketplace on the Valuation Date. In arriving at this indicative quotation, survey participants will be directed to take such factors into consideration as they deem appropriate, which factors may (but need not) include any or all of the following: the spot rate(s) implied in the offshore non-deliverable foreign exchange market for Chilean Peso/U.S. Dollar transactions; the spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business); the spot rate used in connection with any commercial transactions for goods or services from offshore suppliers or providers; any existing rate for trade finance transactions; and any other existing unofficial rate for Chilean Peso / U.S. Dollar transactions (commercial or otherwise).~~

## II. Calculation Methodology

- ~~• EMTA will determine the mid-point of each bid-offer pair. The arithmetic mean of the mid-points will be used to determine the CLP Indicative Survey Rate, rounded to the fourth decimal point as described below.~~
- ~~• If the CLP Indicative Survey results in 21 or more responses, then the 4 highest and 4 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points shall be computed and will constitute the CLP Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 4 highest and 4 lowest mid-points, if more than 4 mid-points have the same highest value or lowest value, then only 4 such mid-points shall be eliminated.~~

<sup>4</sup>New York time is 2 hours behind Santiago time when it is Standard Time in New York and Daylight Savings Time in Santiago; New York time and Santiago Time are the same when it is Standard Time in Santiago and Daylight Savings Time in New York; New York time is 1 hour behind Santiago time when it is Standard Time in both Santiago and New York and when it is Daylight Savings time in both Santiago and New York.

~~If the CLP Indicative Survey results in less than 21 but 12 or more responses, then the 2 highest and 2 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points shall be computed and will constitute the CLP Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 2 highest and 2 lowest mid-points, if more than 2 mid-points have the same highest value or lowest value, then only 2 such mid-points shall be eliminated.~~

- ~~• If the CLP Indicative Survey results in less than 12 but 10 or more responses, then the highest and the lowest rate will be eliminated and the arithmetic mean of the remaining midpoints shall be computed and will constitute the CLP Indicative Survey Rate for such Valuation Date. For purposes of eliminating the highest and lowest mid-points, if more than 1 mid-point has the same highest value or lowest value, then only 1 such mid-point shall be eliminated.~~
- ~~• If the CLP Indicative Survey results in less than 10 but 8 or more responses, then no mid-point will be eliminated and the arithmetic mean of all mid-points obtained shall be computed and will constitute the CLP Indicative Survey Rate for such Valuation Date.~~
- ~~• Quotes shall be provided to the fourth decimal point (e.g., 10000).~~

## III. Insufficient Responses

- ~~• If the CLP Indicative Survey results in less than 8 responses from Participating Banks, no CLP Indicative Survey Rate will be available for the relevant Valuation Date.~~

#### IV. CLP Indicative Survey Rate Publication

- ~~• The CLP Indicative Survey Rate will be published on EMTA's web site (<http://www.emta.org>) (the "Publication Site") by approximately 12:00 p.m. (Santiago time), or as soon thereafter as practicable, on the Valuation Date.~~
- ~~• As soon as it is determined that the CLP Indicative Survey will result in Insufficient Responses, a notice that no CLP Indicative Survey is available for the Valuation Date shall be published on the Publication Site.~~

#### V. Discontinuing the CLP Indicative Survey

~~The CLP Indicative Survey will be discontinued (a) following the publication of a CLP DOLAR OBS Rate (CLP10) (or any successor primary settlement rate option) on any Valuation Date or (b) on the third day following polling for the CLP Indicative Survey Rate that results in less than 8 responses for more than two consecutive polling days. Notwithstanding the foregoing, nothing herein shall be construed to prevent EMTA from re-initiating the CLP Indicative Survey at an appropriate time in the future.~~

~~A notice that the CLP Indicative Survey has been discontinued will be published on the Publication Site.~~

#### VI. Amendments to the Methodology

~~EMTA may, in its discretion, from time to time, make such administrative, procedural or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the CLP Indicative Survey.~~

#### VII. Disclaimer

~~EMTA (and any service provider EMTA may select) disclaim liability for the CLP Indicative Survey Rate, and no representation or warranty, express or implied, is made concerning the CLP Indicative Survey Rate (including, without limitation, the methodology for determining the CLP Indicative Survey Rate and its suitability for any particular use).~~

## **Chapter 277H Cleared OTC U.S. Dollar/ Peruvian Nuevo Sol (USD/PEN) Spot, Forwards and Swaps**

### **277H.00. SCOPE OF CHAPTER**

~~This chapter is limited in application to U.S. Dollar/Peruvian Nuevo Sol Spot, Forwards, and Swaps that are executed between two counterparties on an Over-the-Counter ("OTC") basis and subsequently novated to the CME Clearing House for purposes of clearance ("Cleared OTC Contracts"). Parties to transactions in Cleared OTC Contracts shall be limited to "eligible contract participants" as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8-F of the CME Rulebook (Over-the-Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuations currency is the Peruvian Nuevo Sol and the clearing unit currency is the U.S. dollar.~~

~~For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.~~

### **277H.01. CONTRACT SPECIFICATIONS**

#### **277H.01.A. Unit of Clearing**

~~The unit of clearing shall be 1 U.S. Dollar in any amount down to a precision of 0.01 U.S. Dollar.~~

#### **277H.01.B. Hours for Clearing Entry**

~~The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.~~

~~**277H.01.C. — Minimum Price Increments**~~

~~Minimum price fluctuations shall be in multiples of 0.000001 Peruvian Nuevo Sol per U.S. Dollar for transactions in Cleared OTC Contracts.~~

~~**277H.01.D. — Valid Value Dates for Cash Settlement**~~

~~Cleared OTC Contracts shall be cash settled for any valid value date(s) mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any business day that is a banking business day in the countries of issue for both currencies.~~

~~**277H.01.E. — Delivery Price and Delivery Value**~~

~~Delivery for the Cleared OTC Contracts assigned pursuant to Chapter 277H shall be by cash settlement according to Rule 277H.02.~~

~~**277H.01.F. — Position Limits, Exemptions, Position Accountability and Reportable Levels**~~

~~The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.~~

~~A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.~~

~~Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.~~

~~**277H.01.G. — Last Day of Clearing**~~

~~The last day on which a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one valid business day prior to the cash settlement date.~~

~~**277H.01.H. — Liquidation and Delivery Standards**~~

~~(1) At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 277H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 277H.02 and in a manner prescribed by the Clearing House.~~

~~(2) Prior to Maturity. Standard offsets of futures and options on futures, if applicable, shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.~~

~~**277H.01.I. — [Reserved]**~~

~~**277H.02. — CASH SETTLEMENT**~~

~~**277H.02.A. — Day of Cash Settlement**~~

~~Each Cleared OTC Contract, for the valid value date for cash settlement in two business days, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price (FSP) for that day. The daily Final Settlement Price shall be equal to the "PEN INTERBANK AVE (PEN05)," which is the "Peruvian Nuevo Sol per U.S. dollar" average~~

exchange rate published by the Banco Central de Reserva del Peru (BCRP) as the “Tipo de Cambio Interbancario Promedio” at approximately 2:00 p.m. Lima time on Reuters “PEBCR05” page, rounded to six decimal places. This rate is used widely by the interbank foreign exchange market to cash settle non-deliverable forward contracts for Peruvian Nuevo Sol versus U.S. dollars. All open positions for that valid value date for cash settlement will be cash settled in U.S. dollars based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing times the notional value of the transaction in USDs divided by Final Settlement Price. In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller’s clearing member account and credit the buyer’s clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer’s clearing member account and credit the seller’s clearing member account for this amount in U.S. dollars.

For example, if the “PEN INTERBANK AVE (PEN05),” for the valid value date for cash settlement in two business days, is as follows: MMMMM, DD - YYYY is 2.739600 PEN per USD,” and the original trade price submitted for clearing by clearing firms of the buyer and seller was 2.728156 PEN per USD for a notional amount of 100,000 USD, then the Clearing House on the business day following the valid value date for cash settlement shall credit the clearing members account for the buyer with US\$417.73 (i.e.,  $2.739600 \text{ PEN per USD} - 2.728156 \text{ PEN per USD} = +0.011444 \text{ PEN per USD} \times 100,000 \text{ USD} = \$417.73$ ). Similarly, the Clearing House on the business day following the valid value date for cash settlement shall debit the clearing member account for the seller with US\$417.73.

#### **277H.02.B. Procedures if No Cash Settlement Price is Available**

In the event that the “PEN INTERBANK AVE (PEN05)” Peruvian Nuevo Sol per U.S. dollar rate for a valid value date for cash settlement is not published on a given day by Banco Central de Reserva del Peru (BCRP), and in order to minimize basis risk between the U.S. dollar / Peruvian Nuevo Sol cleared only contracts and the non-deliverable forward (“NDF”) market, the Exchange shall determine a Final Settlement Price based on the EMTA PEN Indicative Survey Rate (PEN04), when available. The EMTA PEN Indicative Survey Rate Methodology follows this chapter in an Interpretation. In the event that the PEN INTERBANK AVE (PEN05) Peruvian Nuevo Sol per U.S. dollar rate is not published on a valid date for cash settlement and the EMTA PEN Indicative Survey does not provide a rate, then Force Majeure shall be in effect.

#### **277H.02.C. Amendments to Timings**

The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 277H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.

#### **277H.03. DISPUTES**

All disputes between interested parties may be settled by arbitration as provided in the Rules.

### **INTERPRETATION TO CHAPTER 277H**

In order to reduce basis risk for market participants trading and/or clearing CME cleared only U.S. dollar/Peruvian Nuevo Sol spot, forwards and swaps, over the counter (OTC) NDF U.S. dollar / Peruvian Nuevo Sol transactions and CME Peruvian Nuevo Sol/ U.S. dollar futures and options on futures contracts, if applicable, CME has also adopted procedures to settle terminated cleared only U.S. dollar/ Peruvian Nuevo Sol spot, forward and swap contracts to the EMTA PEN Indicative Survey Rate when the “PEN INTERBANK AVE (PEN05)” Peruvian Nuevo Sol per U.S. dollar rate is unavailable.

#### **I. The EMTA PEN Indicative Survey**

- Commencing the Indicative Survey: (A) on any Business Day on which a Price Source Disruption has occurred or is continuing OR (B) on any Valuation Date that is NOT a Business Day (or that would have been a Business Day but for the occurrence of an Unscheduled Holiday), and in each case following the lapse of a 30-calendar day period during which the primary settlement rate option shall have been continuously unavailable and as a consequence, valuation shall have been deferred or postponed, upon receipt of a Valid Survey Request, EMTA (or a service provider EMTA shall select in its sole discretion) shall conduct a survey of financial institutions for the purpose of determining the EMTA PEN Indicative Survey Rate for that day.

- ~~Valid Survey Request: A “Valid Survey Request” is a request received by EMTA from not less than two unaffiliated EMTA members not later than 5 business days before the contemplated start of the Survey.~~
- ~~Polled Banks: For purposes of determining the EMTA PEN Indicative Survey Rate for any Valuation Date, at approximately 11:00 a.m. (Lima time<sup>1</sup>), EMTA (or a service provider EMTA may select in its sole discretion) shall survey no more than 30 randomly selected financial institutions that are active participants in the Peruvian Sol/U.S. Dollar market (each, a “Participating Bank”).~~
- ~~Survey Question: Each Participating Bank will be asked to provide its reasonable judgment of what is (or, in the case of an Unscheduled Holiday, would be) the current prevailing free market Peruvian Sol spot rate (bid-offer pair) for a standard size Peruvian Sol/U.S. Dollar wholesale financial transaction for same-day settlement in the Peruvian marketplace on the Valuation Date. In arriving at this indicative quotation, survey participants will be directed to take such factors into consideration as they deem appropriate, which factors may (but need not) include any or all of the following: the spot rate(s) implied in the offshore non-deliverable foreign-exchange market for Peruvian Sol/U.S. Dollar transactions; the spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business); the spot rate used in connection with any commercial transactions for goods or services from offshore suppliers or providers; any existing rate for trade finance transactions; and any other existing unofficial rate for Peruvian Sol/U.S. Dollar transactions (commercial or otherwise).~~

## II. Calculation Methodology

- ~~EMTA will determine the mid-point of each bid-offer pair. The arithmetic mean of the mid-points will be used to determine the PEN Indicative Survey Rate, rounded to the fourth decimal point as described below.~~

<sup>1</sup> New York time and Lima time are the same when it is Standard Time in New York. New York time is one hour ahead of Lima Time when it is Daylight Savings Time in New York. Lima does not observe Daylight Savings Time.

- ~~If the PEN Indicative Survey results in 21 or more responses, then the 4 highest and 4 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points shall be computed and will constitute the PEN Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 4 highest and 4 lowest mid-points, if more than 4 mid-points have the same highest value or lowest value, then only 4 such mid-points shall be eliminated.~~
- ~~If the PEN Indicative Survey results in less than 21 but 12 or more responses, then the 2 highest and 2 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points shall be computed and will constitute the PEN Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 2 highest and 2 lowest mid-points, if more than 2 mid-points have the same highest value or lowest value, then only 2 such mid-points shall be eliminated.~~
- ~~If the PEN Indicative Survey results in less than 12 but 10 or more responses, then the highest and the lowest rate will be eliminated and the arithmetic mean of the remaining midpoints shall be computed and will constitute the PEN Indicative Survey Rate for such Valuation Date. For purposes of eliminating the highest and lowest mid-points, if more than 1 mid-point has the same highest value or lowest value, then only 1 such mid-point shall be eliminated.~~
- ~~If the PEN Indicative Survey results in less than 10 but 8 or more responses, then no mid-point will be eliminated and the arithmetic mean of all mid-points obtained shall be computed and will constitute the PEN Indicative Survey Rate for such Valuation Date.~~
- ~~Quotes shall be provided to the fourth decimal point (e.g., 10000). III.~~

## Insufficient Responses

- ~~If the PEN Indicative Survey results in less than 8 responses from Participating Banks, no PEN Indicative Survey Rate will be available for the relevant Valuation Date.~~

## IV. PEN Indicative Survey Rate Publication

- ~~The PEN Indicative Survey Rate will be published on EMTA’s web site ([www.emta.org](http://www.emta.org)) (the “Publication Site”) by approximately 12:00 p.m. (Lima time), or as soon thereafter as practicable, on the Valuation Date.~~

- As soon as it is determined that the PEN Indicative Survey will result in Insufficient Responses, a notice that no PEN Indicative Survey is available for the Valuation Date shall be published on the Publication Site.

#### V. Discontinuing the PEN Indicative Survey

The PEN Indicative Survey will be discontinued (a) following the publication of a PEN WT AVE Rate (PEN03) (or any successor primary settlement rate option) on any Valuation Date or (b) on the third day following polling for the PEN Indicative Survey Rate that results in less than 8 responses for more than two consecutive polling days. Notwithstanding the foregoing, nothing herein shall be construed to prevent EMTA from re-initiating the PEN Indicative Survey at an appropriate time in the future.

A notice that the PEN Indicative Survey has been discontinued will be published on the Publication Site. VI.

#### Amendments to the Methodology

EMTA may, in its discretion, from time to time, make such administrative, procedural or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the PEN Indicative Survey.

#### VII. Disclaimer

EMTA (and any service provider EMTA may select) disclaim liability for the PEN Indicative Survey Rate, and no representation or warranty, express or implied, is made concerning the PEN Indicative Survey Rate (including, without limitation, the methodology for determining the PEN Indicative Survey Rate and its suitability for any particular use).

## **Chapter 279H Cleared OTC U.S. Dollar/ Indian Rupee (USD/INR) Spot, Forwards and Swaps**

### **279H.00. SCOPE OF CHAPTER**

This chapter is limited in application to U.S. Dollar/Indian Rupee Spot, Forwards, and Swaps that are executed between two counterparties on an Over the Counter ("OTC") basis and subsequently novated to the CME Clearing House for purposes of clearance ("Cleared OTC Contracts"). Parties to transactions in Cleared OTC Contracts shall be limited to "eligible contract participants" as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8 F of the CME Rulebook (Over the Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuations currency is the Indian rupee and the clearing unit currency is the U.S. dollar.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

### **279H.01. CONTRACT SPECIFICATIONS**

#### **279H.01.A. Unit of Clearing**

The unit of clearing shall be 1 U.S. Dollar in any amount down to a precision of 0.01 U.S. Dollar.

#### **279H.01.B. Hours for Clearing Entry**

The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.

#### **279H.01.C. Minimum Price Increments**

Minimum price fluctuations shall be in multiples of 0.0001 Indian Rupee per U.S. Dollar for transactions in Cleared OTC Contracts.

#### **279H.01.D. Valid Value Dates for Cash Settlement**

~~Cleared OTC Contracts shall be cash settled for any valid value date(s) mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.~~

**~~279H.01.E. — Delivery Price and Delivery Value~~**

~~Delivery for the Cleared OTC Contracts assigned pursuant to Chapter 279H shall be by cash settlement according to Rule 279H.02.~~

**~~279H.01.F. — Position Limits, Exemptions, Position Accountability and Reportable Levels~~**

~~The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.~~

~~A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.~~

~~Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.~~

**~~279H.01.G. — Last Day of Clearing~~**

~~The last day on which a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one valid Business Day prior to the cash settlement date.~~

**~~279H.01.H. — Liquidation and Delivery Standards~~**

~~(1) At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 279H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 279H.02 and in a manner prescribed by the Clearing House.~~

~~(2) Prior to Maturity. Standard offsets of futures and options on futures, if applicable, shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.~~

**~~279H.01.I. — [Reserved]~~**

**~~279H.02. — CASH SETTLEMENT~~**

**~~279H.02.A. — Day of Cash Settlement~~**

~~Each Cleared OTC Contract, for the valid value date for cash settlement in two Business Days, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price (FSP) for that day. The daily Final Settlement Price shall be equal to the "INR RBIB (INR01)," which is the "Indian rupee per U.S. dollar" spot exchange rate published by the Reserve Bank of India (RBI) at approximately 1:30 p.m. Mumbai time. This rate is used widely by the interbank foreign exchange market to cash settle non-deliverable forward contracts for Indian rupee versus U.S. dollars. Reuters quotes this RBI USD/INR spot rate on its page RBIB. All open positions for that valid value date for cash settlement will be cash settled in U.S. dollars based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing times the notional value of the transaction in USDs divided by Final Settlement Price. In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.~~

For example, if the “INR RBIB (INR01),” for the valid value date for cash settlement in two Business Days, is as follows: MMMMM, DD - YYYY is 47.2143 INR per USD,” and the original trade price submitted for clearing by clearing firms of the buyer and seller was 47.7152 INR per USD for a notional amount of 100,000 USD, then the Clearing House on the Business Day following the valid value date for cash settlement shall debit the clearing members account for the buyer with US\$1,060.91 (i.e.,  $47.2143 \text{ INR per USD} - 47.7152 \text{ INR per USD} = (-0.5009 \text{ INR per USD} \times 100,000 \text{ USD}) / 47.2143 \text{ INR per USD} = -\$1,060.91$ .) Similarly, the Clearing House on the Business Day following the valid value date for cash settlement shall credit the clearing member account for the seller with US\$1,060.91.

#### **279H.02.B. — Procedures if No Cash Settlement Price is Available**

In the event that the Final Settlement Price for a valid value date for cash settlement cannot be published on a given day by CME, and in order to minimize basis risk, the Exchange shall determine a Final Settlement Price per procedures set forth in the INTERPRETATION TO CHAPTER 279.

#### **279H.02.C. — Amendments to Timings**

The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 279H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.

#### **279H.03. — DISPUTES**

All disputes between interested parties may be settled by arbitration as provided in the Rules. (End

Chapter 279H)

## **Chapter 280H Cleared OTC U.S. Dollar/ Malaysian Ringgit (USD/MYR) Spot, Forwards and Swaps**

#### **280H.00. — SCOPE OF CHAPTER**

This chapter is limited in application to U.S. Dollar/Malaysian Ringgit Spot, Forwards, and Swaps that are executed between two counterparties on an Over the Counter (“OTC”) basis and subsequently novated to the CME Clearing House for purposes of clearance (“Cleared OTC Contracts”). Parties to transactions in Cleared OTC Contracts shall be limited to “eligible contract participants” as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8 F of the CME Rulebook (Over the Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuations currency is the Malaysian ringgit and the clearing-unit currency is the U.S. dollar.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

#### **280H.01. — CONTRACT SPECIFICATIONS**

##### **280H.01.A. — Unit of Clearing**

The unit of clearing shall be 1 U.S. Dollar in any amount down to a precision of 0.01 U.S. Dollar.

##### **280H.01.B. — Hours for Clearing Entry**

The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.

##### **280H.01.C. — Minimum Price Increments**

Minimum price fluctuations shall be in multiples of 0.000001 Malaysian Ringgit per U.S. Dollar for transactions in Cleared OTC Contracts.

#### **280H.01.D. — Valid Value Dates for Cash Settlement**

Cleared OTC Contracts shall be cash settled for any valid value date(s) mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.

#### **280H.01.E. — Delivery Price and Delivery Value**

Delivery for the Cleared OTC Contracts assigned pursuant to Chapter 280H shall be by cash settlement according to Rule 280H.02.

#### **280H.01.F. — Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

#### **280H.01.G. — Last Day of Clearing**

The last day on which a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one valid Business Day prior to the cash settlement date.

#### **280H.01.H. — Liquidation and Delivery Standards**

(1) At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 280H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 280H.02 and in a manner prescribed by the Clearing House.

(2) Prior to Maturity. Standard offsets of futures and options on futures, if applicable, shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.

#### **280H.01.I. — [Reserved]**

### **280H.02. — CASH SETTLEMENT**

#### **280H.02.A. — Day of Cash Settlement**

Each Cleared OTC Contract, for the valid value date for cash settlement in two Business Days, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price (FSP) for that day. The daily Final Settlement Price shall be equal to the "MYR KL REF (MYR04)," which is the "Malaysian ringgit per U.S. dollar" spot exchange rate spot rate at 3:30 p.m. Kuala Lumpur time, expressed as the amount of Malaysian ringgit per one U.S. dollar, for settlement in two Business Days, reported by Bank Negara Malaysia, which appears on Thomson Reuters Screen MYRFIX2

Page at approximately 3:30 p.m., Kuala Lumpur time, on that Rate Calculation Date, rounded to four (4) decimal places. This rate is used widely by the interbank foreign exchange market to cash settle non-deliverable forward contracts for Malaysian ringgit versus U.S. dollars. All open positions for that valid value

date for cash settlement will be cash settled in U.S. dollars based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing times the notional value of the transaction in USDs divided by Final Settlement Price. In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.

For example, if the "MYR KL REF (MYR04)," for the valid value date for cash settlement in two Business Days, is as follows: MMMMM, DD-YYYY is 3.012300 MYR per USD," and the original trade price submitted for clearing by clearing firms of the buyer and seller was 3.030801 MYR per USD for a notional amount of 100,000 USD, then the Clearing House on the Business Day following the valid value date for cash settlement shall debit the clearing members account for the buyer with US\$614.18 (i.e.,  $3.012300 \text{ MYR per USD} - 3.030801 \text{ MYR per USD} = (-0.018501 \text{ MYR per USD} \times 100,000 \text{ USD}) / 3.012300 \text{ MYR per USD} = -\$614.18$ ). Similarly, the Clearing House on the Business Day following the valid value date for cash settlement shall credit the clearing member account for the seller with US\$614.18.

#### **280H.02.B. Procedures if No Cash Settlement Price is Available**

In the event that the "MYR KL REF (MYR04)" Malaysian ringgit per U.S. dollar rate for a valid value date for cash settlement is not published on a given day by Bank Negara Malaysia, and in order to minimize basis risk between the U.S. dollar / Malaysian ringgit cleared only contracts and the non-deliverable forward ("NDF") market, the Exchange shall determine a Final Settlement Price based

on the SFEMC MYR Indicative Survey Rate (MYR02), when available. The SFEMC MYR Indicative Survey Rate Methodology follows this chapter in an Interpretation. In the event that the MYR KL REF (MYR04) Malaysian ringgit per U.S. dollar rate is not published on a valid date for cash settlement and the SFEMC MYR Indicative Survey does not provide a rate, then the Final Settlement Price will be determined pursuant to Rule 812.

#### **280H.02.C. Amendments to Timings**

The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 280H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.

### **280H.03. DISPUTES**

All disputes between interested parties may be settled by arbitration as provided in the Rules.

(End Chapter 280H)

## **INTERPRETATION TO CHAPTER 280H**

In order to reduce basis risk for market participants trading and/or clearing CME cleared only U.S. dollar/Malaysian ringgit spot, forwards and swaps, over the counter (OTC) NDF U.S. dollar / Malaysian ringgit transactions and CME Malaysian ringgit / U.S. dollar futures and options on futures contracts, if applicable, CME has also adopted procedures to settle terminated cleared only U.S. dollar / Malaysian ringgit spot, forward and swap contracts to the SFEMC MYR Indicative Survey Rate when the MYR PPKM (MYR03) Malaysian ringgit per U.S. dollar rate is unavailable.

### **I. The SFEMC MYR Indicative Survey**

- Commencing the MYR Indicative Survey: SFEMC (itself or through a service provider SFEMC will select in its sole discretion) will conduct a survey of financial institutions for the purpose of determining the SFEMC MYR Indicative Survey Rate, beginning at 11:00 a.m. (Singapore time) or as soon thereafter as practicable on a Business Day in both Kuala Lumpur and Singapore (or a calendar day that would have been a Business Day but for an Unscheduled Holiday), following any 14-calendar-day period during which valuation is deferred or postponed (or both).

- ~~Polled Banks: For purposes of determining the MYR Indicative Survey Rate for a Valuation Date, SFEMC (itself or through a service provider) will survey financial institutions that are active participants in the MYR/U.S. Dollar market (each, a “Participating Bank”) and included in a current list of Participating Banks published on the SFEMC’s website (www.sfemc.org) (the “Publication Site”). Only one office of each financial institution will be included as a Participating Bank in each MYR Indicative Survey.~~
- ~~Survey Question: Each Participating Bank will be asked to provide its reasonable judgment of what is (or, in the case of an Unscheduled Holiday, would be) the current prevailing free market MYR spot rate (bid-offer pair) for a standard size MYR/U.S. Dollar wholesale financial transaction for same-day settlement in the Kuala Lumpur marketplace on the Valuation Date. In arriving at this indicative quotation, each Participating Bank will be directed to take such factors into consideration as it deems appropriate, which factors may (but need not) include any or all of the following: the spot rate(s) implied in the offshore non-deliverable foreign exchange market for MYR/U.S. Dollar transactions; the spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business); the spot rate used in connection with any commercial transactions for goods or services from offshore suppliers or providers; any existing rate for trade finance transactions; and any other existing unofficial rate for MYR/U.S. Dollar transactions (commercial or otherwise).~~

## **II. Use of Survey Results**

- ~~SFEMC (itself or through a service provider) will determine the mid-point of each bid-offer pair. The arithmetic mean of the mid-points will be used to determine the MYR Indicative Survey Rate, rounded to the fourth decimal point as described below.~~
- ~~If the MYR Indicative Survey results in 21 or more responses, then the 4 highest and 4 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points will be computed and will constitute the MYR Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 4 highest and 4 lowest mid-points, if more than 4 mid-points have the same highest value or lowest value, then only 4 such mid-points will be eliminated.~~
- ~~If the MYR Indicative Survey results in less than 21 but 11 or more responses, then the 2 highest and 2 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points will be computed and will constitute the MYR Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 2 highest and 2 lowest mid-points, if more than 2 mid-points have the same highest value or lowest value, then only 2 such mid-points will be eliminated.~~
- ~~If the MYR Indicative Survey results in less than 11 but 8 or more responses, then the highest and the lowest mid-points will be eliminated and the arithmetic mean of the remaining mid-points will be computed and will constitute the MYR Indicative Survey Rate for such Valuation Date. For purposes of eliminating the highest and lowest mid-points, if more than 1 mid-point has the same highest value or lowest value, then only 1 such mid-point will be eliminated.~~
- ~~If the MYR Indicative Survey results in less than 8 but 5 or more responses, then no mid-points will be eliminated and the arithmetic mean of all mid-points will be computed and will constitute the MYR Indicative Survey Rate for such Valuation Date.~~
- ~~Quotes will be provided to the fourth decimal point (e.g., 1.0000).~~

## **III. Insufficient Responses**

- ~~If the MYR Indicative Survey results in less than 5 responses from Participating Banks (“Insufficient Responses”), no MYR Indicative Survey Rate will be available for the relevant Valuation Date. The next MYR Indicative Survey will take place on the next succeeding Business Day in both Kuala Lumpur and Singapore (or calendar day that would have been a Business Day but for an Unscheduled Holiday), subject to Section V below.~~

## **IV. MYR Indicative Survey Rate Publication**

- ~~The MYR Indicative Survey Rate will be published on the Publication Site at 3:30 p.m. (Singapore time), or as soon thereafter as practicable.~~

- ~~As soon as it is determined that the MYR Indicative Survey will result in Insufficient Responses, a notice that no MYR Indicative Survey Rate is available for the Valuation Date will be published on the Publication Site.~~
- ~~The response of each Participating Bank to the Indicative Survey (bid offer pair) will be available on the Publication Site at 9:00 a.m. (Singapore time) on the first Business Day in both Kuala Lumpur and Singapore (or calendar day that would have been a Business Day but for an Unscheduled Holiday) following the Business Day on which the relevant MYR Indicative Survey Rate is published, or as soon thereafter as practicable.~~

#### **~~V. Discontinuing the MYR Indicative Survey~~**

~~The MYR Indicative Survey will be discontinued (i) on the calendar day first following the Business Day in Kuala Lumpur on which the MYR PPKM (MYR03) Rate is available for the determination of a Settlement Rate, or (ii) on the calendar day first following polling for the MYR Indicative Survey that results in Insufficient Responses for three consecutive polling days. Notwithstanding the foregoing, nothing herein will be construed to prevent SFEMC from continuing or re-initiating the MYR Indicative Survey at an appropriate time.~~

~~A notice that the MYR Indicative Survey has been discontinued will be published on the Publication Site.~~

#### **~~VI. Amendments to the Methodology~~**

~~SFEMC may, in its discretion, from time to time, make such administrative, procedural, or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the MYR Indicative Survey.~~

#### **~~VII. Disclaimer~~**

~~SFEMC (and any service provider SFEMC may select) disclaim liability for the MYR Indicative Survey Rate, and no representation or warranty, express or implied, is made concerning the MYR Indicative Survey Rate (including, without limitation, the methodology for determining the MYR Indicative Survey Rate and its suitability for any particular use).~~

## **Chapter 281H Cleared OTC U.S. Dollar/ Indonesian Rupiah (USD/IDR) Spot, Forwards and Swaps**

### **281H.00. SCOPE OF CHAPTER**

~~This chapter is limited in application to U.S. Dollar/Indonesian Rupiah Spot, Forwards, and Swaps that are executed between two counterparties on an Over the Counter (“OTC”) basis and subsequently novated to the CME Clearing House for purposes of clearance (“Cleared OTC Contracts”). Parties to transactions in Cleared OTC Contracts shall be limited to “eligible contract participants” as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8-F of the CME Rulebook (Over-the-Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuations currency is the Indonesian rupiah and the clearing unit currency is the U.S. dollar.~~

~~For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.~~

### **281H.01. CONTRACT SPECIFICATIONS**

#### **281H.01.A. Unit of Clearing**

~~The unit of clearing shall be 1 U.S. Dollar in any amount down to a precision of 0.01 U.S. Dollar.~~

#### **281H.01.B. Hours for Clearing Entry**

~~The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.~~

**~~281H.01.C. Minimum Price Increments~~**

~~Minimum price fluctuations shall be in multiples of 0.01 Indonesian Rupiah per U.S. Dollar for transactions in Cleared OTC Contracts.~~

**~~281H.01.D. Valid Value Dates for Cash Settlement~~**

~~Cleared OTC Contracts shall be cash settled for any valid value date(s) mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.~~

**~~281H.01.E. Delivery Price and Delivery Value~~**

~~Delivery for the Cleared OTC Contracts assigned pursuant to Chapter 281H shall be by cash settlement according to Rule 281H.02.~~

**~~281H.01.F. Position Limits, Exemptions, Position Accountability and Reportable Levels~~**

~~The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.~~

~~A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.~~

~~exemptions from the specified position limits.~~

**~~281H.01.G. Last Day of Clearing~~**

~~The last day on which a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one valid Business Day prior to the cash settlement date.~~

**~~281H.01.H. Liquidation and Delivery Standards~~**

~~(1) At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 281H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 281H.02 and in a manner prescribed by the Clearing House.~~

~~(2) Prior to Maturity. Standard offsets of futures and options on futures, if applicable, shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.~~

**~~281H.01.I. [Reserved]~~**

**~~281H.02. CASH SETTLEMENT~~**

**~~281H.02.A. Day of Cash Settlement~~**

~~Each Cleared OTC Contract, for the valid value date for cash settlement in two Business Days, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price (FSP) for that day. The daily Final Settlement Price shall be equal to the "IDR JISDOR Rate (IDR04)," which is the "Indonesian rupiah per U.S. dollar" spot exchange rate spot rate at 10:00 a.m. Jakarta time, expressed as the amount of~~

~~Indonesian rupiah per one U.S. dollar, for settlement in two Business Days, reported by Bank Indonesia (or its successor as administrator or sponsor of that rate), which appears on Thomson Reuters Screen JISDOR Page at approximately 10:00 a.m., Jakarta time, on that Rate Calculation Date, rounded to two (2) decimal places. This rate is used widely by the interbank foreign exchange market to cash settle non-deliverable forward contracts for Indonesian rupiah versus U.S. dollars. All open positions for that valid value date for cash settlement will be cash settled in U.S. dollars based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing times the notional value of the transaction in USDs divided by Final Settlement Price. In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.~~

~~For example, if the "IDR JISDOR (IDR04)," for the valid value date for cash settlement in two Business Days, is as follows: MMMMM, DD-YYYY is 8612.00 IDR per USD," and the original trade price submitted for clearing by clearing firms of the buyer and seller was 8682.45 IDR per USD for a notional amount of 100,000 USD, then the Clearing House on the Business Day following the valid value date for cash settlement shall debit the clearing members account for the buyer with US\$818.04 (i.e.,  $8612.00 \text{ IDR per USD} - 8682.45 \text{ IDR per USD} = (-70.45 \text{ IDR per USD} \times 100,000 \text{ USD}) / 8612.00 \text{ IDR per USD} = -\$818.04$ ). Similarly, the Clearing House on the Business Day following the valid value date for cash settlement shall credit the clearing member account for the seller with US\$818.04.~~

#### **281H.02.B. Procedures if No Cash Settlement Price is Available**

~~In the event that the "IDR JISDOR Rate (IDR04)" Indonesian rupiah per U.S. dollar rate for a valid value date for cash settlement is not published on a given day by Bank Indonesia, and in order to minimize basis risk between the U.S. dollar / Indonesia rupiah cleared only contracts and the non-~~

~~deliverable forward ("NDF") market, the Exchange shall determine a Final Settlement Price based on the SFEMC IDR Indicative Survey Rate (IDR02), when available. The SFEMC IDR Indicative Survey Rate Methodology follows this chapter in an Interpretation. In the event that the IDR JISDOR Rate (IDR04) Indonesian rupiah per U.S. dollar rate is not published on a valid date for cash settlement and the SFEMC IDR Indicative Survey does not provide a rate, then the Final Settlement Price will be determined pursuant to Rule 812.~~

#### **281H.02.C. Amendments to Timings**

~~The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 281H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.~~

### **281H.03. DISPUTES**

~~All disputes between interested parties may be settled by arbitration as provided in the Rules.~~

## **INTERPRETATION TO CHAPTER 281H**

~~In order to reduce basis risk for market participants trading and/or clearing CME cleared only U.S. dollar/Indonesian rupiah spot, forwards and swaps, over the counter (OTC) NDF U.S. dollar / Indonesian rupiah transactions and CME Indonesian rupiah/ U.S. dollar futures and options on futures contracts, if applicable, CME has also adopted procedures to settle terminated cleared only U.S. dollar/ Indonesian rupiah spot, forward and swap contracts to the SFEMC IDR Indicative Survey Rate when the IDR JISDOR Rate (IDR04) Indonesian rupiah per U.S. dollar rate is unavailable.~~

### **I. The SFEMC IDR Indicative Survey**

- ~~Commencing the IDR Indicative Survey: SFEMC (itself or through a service provider SFEMC will select in its sole discretion) will conduct a survey of financial institutions for the purpose of determining the SFEMC IDR Indicative Survey Rate, beginning at 11:00 a.m. (Singapore time) or as soon thereafter as practicable on a Business Day in both Jakarta and Singapore (or a calendar day that would have been a Business Day but for an Unscheduled Holiday), following any 14 calendar day period during which valuation is deferred or postponed (or both).~~

- ~~Polled Banks: For purposes of determining the SFEMC IDR Indicative Survey Rate for a Valuation Date, SFEMC (itself or through a service provider) will survey financial institutions that are active participants in the IDR/U.S. Dollar market (each, a "Participating Bank") and included in a current list of Participating Banks published on the SFEMC's website (www.sfemc.org) (the "Publication Site"). Only one office of each financial institution will be included as a Participating Bank in each Indicative Survey.~~
- ~~Survey Question: Each Participating Bank will be asked to provide its reasonable judgment of what is (or, in the case of an Unscheduled Holiday, would be) the current prevailing free market IDR spot rate (bid-offer pair) for a standard size IDR/U.S. Dollar wholesale financial transaction for same-day settlement in the Jakarta marketplace on the Valuation Date. In arriving at this indicative quotation, each Participating Bank will be directed to take such factors into consideration as it deems appropriate, which factors may (but need not) include any or all of the following: the spot rate(s) implied in the offshore non-deliverable foreign exchange market for IDR/U.S. Dollar transactions; the spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business); the spot rate used in connection with any commercial transactions for goods or services from offshore suppliers or providers; any existing rate for trade finance transactions; and any other existing unofficial rate for IDR/U.S. Dollar transactions (commercial or otherwise).~~

## **II. Use of Survey Results**

- ~~SFEMC (itself or through a service provider) will determine the mid-point of each bid-offer pair. The arithmetic mean of the mid-points will be used to determine the IDR Indicative Survey Rate, rounded to the fourth decimal point as described below.~~
  - ~~If the IDR Indicative Survey results in 21 or more responses, then the 4 highest and 4 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points will be computed and will constitute the IDR Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 4 highest and 4 lowest mid-points, if more than 4 mid-points have the same highest value or lowest value, then only 4 such mid-points will be eliminated.~~
- ~~If the IDR Indicative Survey results in less than 21 but 11 or more responses, then the 2 highest and 2 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points will be computed and will constitute the IDR Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 2 highest and 2 lowest mid-points, if more than 2 mid-points have the same highest value or lowest value, then only 2 such mid-points will be eliminated.~~
- ~~If the IDR Indicative Survey results in less than 11 but 8 or more responses, then the highest and the lowest mid-points will be eliminated and the arithmetic mean of the remaining midpoints will be computed and will constitute the IDR Indicative Survey Rate for such Valuation Date. For purposes of eliminating the highest and lowest mid-points, if more than 1 mid-point has the same highest value or lowest value, then only 1 such mid-point will be eliminated.~~
- ~~If the IDR Indicative Survey results in less than 8 but 5 or more responses, then no mid-points will be eliminated and the arithmetic mean of all midpoints will be computed and will constitute the IDR Indicative Survey Rate for such Valuation Date.~~
- ~~Quotes will be provided to the fourth decimal point (e.g., 1.0000).~~

## **III. Insufficient Responses**

- ~~If the IDR Indicative Survey results in less than 5 responses from Participating Banks ("Insufficient Responses"), no IDR Indicative Survey Rate will be available for the relevant Valuation Date. The next IDR Indicative Survey will take place on the next succeeding Business Day in both Jakarta and Singapore (or calendar day that would have been a Business Day but for an Unscheduled Holiday), subject to Section V below.~~

## **IV. IDR Indicative Survey Rate Publication**

- ~~The IDR Indicative Survey Rate will be published on the Publication Site at 3:30 p.m. (Singapore time), or as soon thereafter as practicable.~~

- ~~As soon as it is determined that the IDR Indicative Survey will result in Insufficient Responses, a notice that no IDR Indicative Survey Rate is available for the Valuation Date will be published on the Publication Site.~~
- ~~The response of each Participating Bank to the Indicative Survey (bid offer pair) will be available on the Publication Site at 9:00 a.m. (Singapore time) on the first Business Day in both Jakarta and Singapore (or calendar day that would have been a Business Day but for an Unscheduled Holiday) following the Business Day on which the relevant IDR Indicative Survey Rate is published, or as soon thereafter as practicable.~~

#### **V. ~~Discontinuing the IDR Indicative Survey~~**

~~The IDR Indicative Survey will be discontinued (i) on the calendar day first following the Business Day in both Jakarta and Singapore on which the IDR JISDOR (IDR 04) is available for the determination of a Settlement Rate, or (ii) on the calendar day first following polling for the IDR Indicative Survey that results in Insufficient Responses for three consecutive polling days. Notwithstanding the foregoing, nothing herein will be construed to prevent SFEMC from continuing or re-initiating the IDR Indicative Survey at an appropriate time.~~

~~A notice that the IDR Indicative Survey has been discontinued will be published on the Publication Site.~~

#### **VI. ~~Amendments to the Methodology~~**

~~SFEMC may, in its discretion, from time to time, make such administrative, procedural or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the IDR Indicative Survey.~~

#### **VII. ~~Disclaimer~~**

~~SFEMC (and any service provider SFEMC may select) disclaim liability for the IDR Indicative Survey Rate, and no representation or warranty, express or implied, is made concerning the IDR Indicative Survey Rate (including, without limitation, the methodology for determining the IDR Indicative Survey Rate and its suitability for any particular use).~~

## **Chapter 282H Cleared OTC U.S. Dollar/ Taiwan Dollar (USD/TWD) Spot, Forwards and Swaps**

### **282H.00. SCOPE OF CHAPTER**

~~This chapter is limited in application to U.S. Dollar/Taiwan Dollar Spot, Forwards, and Swaps that are executed between two counterparties on an Over the Counter (“OTC”) basis and subsequently novated to the CME Clearing House for purposes of clearance (“Cleared OTC Contracts”). Parties to transactions in Cleared OTC Contracts shall be limited to “eligible contract participants” as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8 F of the CME Rulebook (Over the Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuations currency is the Taiwan dollar and the clearing-unit currency is the U.S. dollar.~~

~~For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.~~

### **282H.01. CONTRACT SPECIFICATIONS**

#### **282H.01.A. Unit of Clearing**

~~The unit of clearing shall be 1 U.S. Dollar in any amount down to a precision of 0.01 U.S. Dollar.~~

#### **282H.01.B. Hours for Clearing Entry**

~~The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.~~

#### **282H.01.C. Minimum Price Increments**

Minimum price fluctuations shall be in multiples of 0.001 Taiwan Dollar per U.S. Dollar for transactions in Cleared OTC Contracts.

#### **282H.01.D. — Valid Value Dates for Cash Settlement**

Cleared OTC Contracts shall be cash settled for any valid value date(s) mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.

#### **282H.01.E. — Delivery Price and Delivery Value**

Delivery for the Cleared OTC Contracts assigned pursuant to Chapter 282H shall be by cash settlement according to Rule 282H.02.

#### **282H.01.F. — Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

#### **282H.01.G. — Last Day of Clearing**

The last day on which a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one valid Business Day prior to the cash settlement date.

#### **282H.01.H. — Liquidation and Delivery Standards**

(1) At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 282H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 282H.02 and in a manner prescribed by the Clearing House.

(2) Prior to Maturity. Standard offsets of futures and options on futures, if applicable, shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.

#### **282H.01.I. — [Reserved]**

### **282H.02. — CASH SETTLEMENT**

#### **282H.02.A. — Day of Cash Settlement**

Each Cleared OTC Contract, for the valid value date for cash settlement in two Business Days, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price (FSP) for that day. The daily Final Settlement Price shall be equal to the "TWD TAIEX1 (TWD03)" which is the "Taiwan dollar per U.S. dollar" spot exchange rate at 11:00 a.m. Taipei time (9:00 p.m. CT in winter or 10:00 p.m. CT in summer on the preceding evening), expressed as the amount of Taiwan dollar per one U.S. dollar, for settlement in two Business Days, reported by Taipei Forex Inc., which appears on the Reuters screen TAIEX1 page under the heading "Spot" as of 11:00 a.m. Taipei time, rounded to three (3) decimal places. This rate is used widely by the interbank foreign exchange market to cash settle non-deliverable forward contracts for Taiwan dollar versus U.S. dollars. All open positions for that valid value date for cash settlement will be cash settled in U.S. dollars based upon the

difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing times the notional value of the transaction in USDs divided by Final Settlement Price. In the event, this U.S. dollar amount is positive, then the Clearing House shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.

For example, if the "TWD TAIEX1 (TWD03)," for the valid value date for cash settlement in two Business Days, is as follows: MMMMM, DD - YYYY is 29.195 TWD per USD," and the original trade price submitted for clearing by clearing firms of the buyer and seller was 29.275 TWD per USD for a notional amount of 100,000 USD, then the Clearing House on the Business Day following the valid value date for cash settlement shall debit the clearing members account for the buyer with US\$274.02 (i.e.,  $29.195 \text{ TWD per USD} - 29.275 \text{ TWD per USD} = (-0.080 \text{ TWD per USD} \times 100,000 \text{ USD}) / 29.195 \text{ TWD per USD} = -\$274.02$ ). Similarly, the Clearing House on the Business Day following the valid value date for cash settlement shall credit the clearing member account for the seller with US\$274.02.

#### **282H.02.B. Procedures if No Cash Settlement Price is Available**

In the event that the "TWD TAIEX1 (TWD03)" Hong Kong dollar per U.S. dollar rate for a valid value date for cash settlement is not published on a given day by Taipei Forex Inc, and in order to minimize basis risk between the U.S. dollar / Taiwan dollar cleared only contracts and the non-deliverable forward ("NDF") market, the Exchange shall determine a Final Settlement Price based on the SFEMC TWD Indicative Survey Rate (TWD04), when available. The SFEMC TWD Indicative Survey Rate Methodology follows this chapter in an Interpretation. In the event that the TWD TAIEX1 (TWD03) Taiwan dollar per U.S. dollar rate is not published on a valid date for cash settlement and the SFEMC TWD Indicative Survey does not provide a rate, then the Final Settlement Price will be determined pursuant to Rule 812.

#### **282H.02.C. Amendments to Timings**

The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 282H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.

#### **282H.03. DISPUTES**

All disputes between interested parties may be settled by arbitration as provided in the Rules. (End Chapter 282H)

### **INTERPRETATION TO CHAPTER 282H**

In order to reduce basis risk for market participants trading and/or clearing CME cleared only U.S. dollar/Taiwan dollar spot, forwards and swaps, over the counter (OTC) NDF U.S. dollar / Taiwan dollar transactions and CME Taiwan dollar/ U.S. dollar futures and options on futures contracts, if applicable, CME has also adopted procedures to settle terminated cleared only U.S. dollar/ Taiwan dollar spot, forward and swap contracts to the SFEMC TWD Indicative Survey Rate when the TWD TAIEX1 (TWD03) Taiwan dollar per U.S. dollar rate is unavailable.

#### **I. The SFEMC TWD Indicative Survey**

- Commencing the TWD Indicative Survey: SFEMC (itself or through a service provider SFEMC will select in its sole discretion) will conduct a survey of financial institutions for the purpose of determining the SFEMC TWD Indicative Survey Rate, beginning at 11:00 a.m. (Singapore time) or as soon thereafter as practicable on a Business Day in Taipei (or a calendar day that would have been a Business Day but for an Unscheduled Holiday), following any 14 calendar day period during which valuation is deferred or postponed (or both).
- Polled Banks: For purposes of determining the TWD Indicative Survey Rate for a Valuation Date, SFEMC (itself or through a service provider) will survey financial institutions that are active participants in the TWD/U.S. Dollar market (each, a "Participating Bank") and included in a current list of Participating Banks published on the SFEMC's website ([www.sfemc.org](http://www.sfemc.org)) (the "Publication Site"). Only one office of each financial institution will be included as a Participating Bank in each TWD Indicative Survey.

- ~~Survey Question: Each Participating Bank will be asked to provide its reasonable judgment of what is (or, in the case of an Unscheduled Holiday, would be) the current prevailing free market TWD spot rate (bid-offer pair) for a standard size TWD/U.S. Dollar wholesale financial transaction for same-day settlement in the Taipei marketplace on the Valuation Date. In arriving at this indicative quotation, each Participating Bank will be directed to take such factors into consideration as it deems appropriate, which factors may (but need not) include any or all of the following: the spot rate(s) implied in the offshore non-deliverable foreign exchange market for TWD/U.S. Dollar transactions; the spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business); the spot rate used in connection with any commercial transactions for goods or services from offshore suppliers or providers; any existing rate for trade finance transactions; and any other existing unofficial rate for TWD/U.S. Dollar transactions (commercial or otherwise).~~

## **II. Use of Survey Results**

- ~~SFEMC (itself or through a service provider) will determine the mid-point of each bid-offer pair. The arithmetic mean of the mid-points will be used to determine the TWD Indicative Survey Rate, rounded to the fourth decimal point as described below.~~
- ~~If the TWD Indicative Survey results in 21 or more responses, then the 4 highest and 4 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points will be computed and will constitute the TWD Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 4 highest and 4 lowest mid-points, if more than 4 mid-points have the same highest value or lowest value, then only 4 such mid-points will be eliminated.~~

~~If the TWD Indicative Survey results in less than 21 but 11 or more responses, then the 2 highest and 2 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points will be computed and will constitute the TWD Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 2 highest and 2 lowest mid-points, if more than 2 mid-points have the same highest value or lowest value, then only 2 such mid-points will be eliminated.~~

- ~~If the TWD Indicative Survey results in less than 11 but 8 or more responses, then the highest and the lowest mid-points will be eliminated and the arithmetic mean of the remaining midpoints will be computed and will constitute the TWD Indicative Survey Rate for such Valuation Date. For purposes of eliminating the highest and lowest mid-points, if more than 1 mid-point has the same highest value or lowest value, then only 1 such mid-point will be eliminated.~~
- ~~If the TWD Indicative Survey results in less than 8 but 5 or more responses, then no mid-points will be eliminated and the arithmetic mean of all midpoints will be computed and will constitute the TWD Indicative Survey Rate for such Valuation Date.~~
- ~~Quotes will be provided to the fourth decimal point (e.g., 1.0000).~~

## **III. Insufficient Responses**

- ~~If the TWD Indicative Survey results in less than 5 responses from Participating Banks ("Insufficient Responses"), no TWD Indicative Survey Rate will be available for the relevant Valuation Date. The next TWD Indicative Survey will take place on the next succeeding Business Day in Taipei (or calendar day that would have been a Business Day but for an Unscheduled Holiday), subject to Section V below.~~

## **IV. TWD Indicative Survey Rate Publication**

- ~~The TWD Indicative Survey Rate will be published on the Publication Site at 3:30 p.m. (Singapore time), or as soon thereafter as practicable.~~
- ~~As soon as it is determined that the TWD Indicative Survey will result in Insufficient Responses, a notice that no TWD Indicative Survey Rate is available for the Valuation Date will be published on the Publication Site.~~
- ~~The response of each Participating Bank to the Indicative Survey (bid-offer pair) will be available on the Publication Site at 9:00 a.m. (Singapore time) on the first Business Day in Taipei (or calendar day that would have been a Business Day but for an Unscheduled Holiday) following the Business Day on which the relevant~~

TWD Indicative Survey Rate is published, or as soon thereafter as practicable.

#### **V. Discontinuing the TWD Indicative Survey**

The TWD Indicative Survey will be discontinued (i) on the calendar day first following the Business Day in Taipei on which the TWD TAIEX1 (TWD 03) is available for the determination of a Settlement Rate, or (ii) on the calendar day first following polling for the TWD Indicative Survey that results in Insufficient Responses for three consecutive polling days. Notwithstanding the foregoing, nothing herein will be construed to prevent SFEMC from continuing or re-initiating the TWD Indicative Survey at an appropriate time.

A notice that the TWD Indicative Survey has been discontinued will be published on the Publication Site.

#### **VI. Amendments to the Methodology**

SFEMC may, in its discretion, from time to time, make such administrative, procedural or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the TWD Indicative Survey.

#### **VII. Disclaimer**

SFEMC (and any service provider SFEMC may select) disclaim liability for the TWD Indicative Survey Rate, and no representation or warranty, express or implied, is made concerning the TWD Indicative Survey Rate (including, without limitation, the methodology for determining the TWD Indicative Survey Rate and its suitability for any particular use).

## **Chapter 283H Cleared OTC U.S. Dollar/ Philippines Peso (USD/PHP) Spot, Forwards and Swaps**

### **283H.00. SCOPE OF CHAPTER**

This chapter is limited in application to U.S. Dollar/Philippines Peso Spot, Forwards, and Swaps that are executed between two counterparties on an Over-the-Counter ("OTC") basis and subsequently novated to the CME Clearing House for purposes of clearance ("Cleared OTC Contracts"). Parties to transactions in Cleared OTC Contracts shall be limited to "eligible contract participants" as defined in Section 1a(18) of the Commodity Exchange Act. Cleared OTC Contracts are listed by CME for clearing only. Transactions in Cleared OTC Contracts shall also be subject to the general rules of the Exchange insofar as applicable. The clearing and settlement of transactions in Cleared OTC Contracts shall also be subject to the provisions of Chapter 8-F of the CME Rulebook (Over-the-Counter Derivative Clearing). For purposes of these Rules, the minimum fluctuations currency is the Philippines peso and the clearing unit currency is the U.S. dollar.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

### **283H.01. CONTRACT SPECIFICATIONS**

#### **283H.01.A. Unit of Clearing**

The unit of clearing shall be 1 U.S. Dollar in any amount down to a precision of 0.01 U.S. Dollar.

#### **283H.01.B. Hours for Clearing Entry**

The Exchange shall determine the hours during which Cleared OTC Contracts may be submitted to the Clearing House. Positions shall be initiated or closed out using off-exchange transactions.

#### **283H.01.C. Minimum Price Increments**

Minimum price fluctuations shall be in multiples of 0.001 Philippines Peso per U.S. Dollar for transactions in Cleared OTC Contracts.

#### **283H.01.D. — Valid Value Dates for Cash Settlement**

Cleared OTC Contracts shall be cash settled for any valid value date(s) mutually agreed to by buyer and seller, and accepted by the Exchange for the applicable currency pair as a valid value date(s) for cash settlement and clearing. In general, for any currency pair, a valid value date shall be any Business Day that is a banking Business Day in the countries of issue for both currencies.

#### **283H.01.E. — Delivery Price and Delivery Value**

Delivery for the Cleared OTC Contracts assigned pursuant to Chapter 283H shall be by cash settlement according to Rule 283H.02.

#### **283H.01.F. — Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

#### **283H.01.G. — Last Day of Clearing**

The last day on which a Cleared OTC Contract may be submitted for clearing in respect of a specified cash settlement date shall be one valid Business Day prior to the cash settlement date.

#### **283H.01.H. — Liquidation and Delivery Standards**

(1) At Maturity. After clearing of Cleared OTC Contracts in respect of a specified cash settlement date has ceased, in accordance with Rule 283H.01.G. of this chapter, outstanding contracts for such cash settlement date shall be liquidated by cash settlement through procedures as prescribed in Rule 283H.02 and in a manner prescribed by the Clearing House.

(2) Prior to Maturity. Standard offsets of futures and options on futures, if applicable, shall not apply to positions in Cleared OTC Contracts. Prior to the Cash Settlement Date, positions may be closed out upon the request of the clearing firm to the Clearing House, and in the manner prescribed by the Clearing House.

#### **283H.01.I. — [Reserved]**

### **283H.02. — CASH SETTLEMENT**

#### **283H.02.A. — Day of Cash Settlement**

Each Cleared OTC Contract, for the valid value date for cash settlement in one Business Day, shall be liquidated by cash settlement at a price equal to the daily Final Settlement Price (FSP) for that day. The daily Final Settlement Price shall be equal to the "PHP PDSPEO (PHP06)" which is the "Philippines peso per U.S. dollar" spot exchange rate at 11:30 a.m. Manila time, expressed as the amount of Philippine pesos per one U.S. dollar, for settlement in two Business Days, reported as the weighted average of all foreign exchange transactions done through the electronic Philippine Dealing System (PDS) during the preceding Business Day pursuant to Circular Letter dated July 30, 1992 of the Bangko Sentral ng Pilipinas. This rate is used widely by the interbank foreign exchange market to cash settle non-deliverable forward contracts for Philippine peso versus U.S. dollars. Reuters quotes this spot rate on its page PDSPEO (PHP06) to the right of the caption "AM WT AVE." All open positions for that valid value date for cash settlement will be cash settled in U.S. dollars based upon the difference between the Final Settlement Price for the valid value date for cash settlement and the original trade price as submitted for clearing times the notional value of the transaction in USDs divided by Final Settlement Price. In the event, this U.S. dollar amount is positive, then the Clearing House

shall debit the seller's clearing member account and credit the buyer's clearing member account for this amount in U.S. dollars. In the event, this U.S. dollar amount is negative, then the Clearing House shall debit the buyer's clearing member account and credit the seller's clearing member account for this amount in U.S. dollars.

For example, if the "PHP PDSPEO (PHP06)," for the valid value date for cash settlement in one Business Day, is as follows: MMMMM, DD-YYYY is 42.673 PHP per USD," and the original trade price submitted for clearing by clearing firms of the buyer and seller was 42.619 PHP per USD for a notional amount of 100,000 USD, then the Clearing House on the Business Day following the valid value date for cash settlement shall credit the clearing members account for the buyer with US\$126.54 (i.e., 42.673 PHP per USD — 42.619 PHP per USD = +0.054 PHP per USD x 100,000 USD) / 42.673 PHP per USD = +\$126.54.). Similarly, the Clearing House on the Business Day following the valid value date for cash settlement shall debit the clearing member account for the seller with US\$126.54.

### **283H.02.B. Procedures if No Cash Settlement Price is Available**

In the event that the "PHP PDSPEO (PHP06)" Hong Kong dollar per U.S. dollar rate for a valid value date for cash settlement is not published on a given day by the Bangko Sentral ng Pilipinas, and in order to minimize basis risk between the U.S. dollar / Philippine peso cleared only contracts and the non-deliverable forward ("NDF") market, the Exchange shall determine a Final Settlement Price based on the SFEMC PHP Indicative Survey Rate (PHP05), when available. The SFEMC PHP Indicative Survey Rate Methodology follows this chapter in an Interpretation. In the event that the PHP PDSPEO (PHP06) Philippine peso per U.S. dollar rate is not published on a valid date for cash settlement and the SFEMC PHP Indicative Survey does not provide a rate, then the Final Settlement Price will be determined pursuant to Rule 812.

### **283H.02.C. Amendments to Timings**

The Exchange may amend the timings of notifications, deliveries, and transfers under this Rule 283H.02 to reflect as appropriate the adoption of daylight savings time in the relevant countries of delivery.

### **283H.03. DISPUTES**

All disputes between interested parties may be settled by arbitration as provided in the Rules.

(End Chapter 283H)

## **INTERPRETATION TO CHAPTER 283H**

In order to reduce basis risk for market participants trading and/or clearing CME cleared only U.S. dollar/Philippine peso spot, forwards and swaps, over the counter (OTC) NDF U.S. dollar / Philippine peso transactions and CME Philippine peso/ U.S. dollar futures and options on futures contracts, if applicable, CME has also adopted procedures to settle terminated cleared only U.S. dollar/ Philippine peso spot, forward and swap contracts to the SFEMC PHP Indicative Survey Rate when the PHP PDSPEO (PHP06) Philippine peso per U.S. dollar rate is unavailable.

### **I. The SFEMC PHP Indicative Survey**

- Commencing the PHP Indicative Survey: SFEMC (itself or through a service provider SFEMC will select in its sole discretion) will conduct a survey of financial institutions for the purpose of determining the SFEMC PHP Indicative Survey Rate, beginning at 11:00 a.m. (Singapore time) or as soon thereafter as practicable on a Business Day in Manila (or a calendar day that would have been a Business Day but for an Unscheduled Holiday), following any 14 calendar day period during which valuation is deferred or postponed (or both).
- Polled Banks: For purposes of determining the PHP Indicative Survey Rate for a Valuation Date, SFEMC (itself or through a service provider) will survey financial institutions that are active participants in the PHP/U.S. Dollar market (each, a "Participating Bank") and included in a current list of Participating Banks published on the SFEMC's website ([www.sfemc.org](http://www.sfemc.org)) (the "Publication Site"). Only one office of each financial institution will be included as a Participating Bank in each PHP Indicative Survey.
- Survey Question: Each Participating Bank will be asked to provide its reasonable judgment of what is (or, in the case of an Unscheduled Holiday, would be) the current prevailing free market PHP spot rate (bid offer pair) for a standard size PHP/U.S. Dollar wholesale financial transaction for same-day settlement in the Manila marketplace

on the Valuation Date. In arriving at this indicative quotation, each Participating Bank will be directed to take such factors into consideration as it deems appropriate, which factors may (but need not) include any or all of the following: the spot rate(s) implied in the offshore non-deliverable foreign exchange market for PHP/U.S. Dollar transactions; the spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business); the spot rate used in connection with any commercial transactions for goods or services from offshore suppliers or providers; any existing rate for trade finance transactions; and any other existing unofficial rate for PHP/U.S. Dollar transactions (commercial or otherwise).

## **II. Use of Survey Results**

- ~~SFEMC (itself or through a service provider) will determine the mid-point of each bid-offer pair. The arithmetic mean of the mid-points will be used to determine the PHP Indicative Survey Rate, rounded to the fourth decimal point as described below.~~
  - ~~If the PHP Indicative Survey results in 21 or more responses, then the 4 highest and 4 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points will be computed and will constitute the PHP Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 4 highest and 4 lowest mid-points, if more than 4 mid-points have the same highest value or lowest value, then only 4 such mid-points will be eliminated.~~
  - ~~If the PHP Indicative Survey results in less than 21 but 11 or more responses, then the 2 highest and 2 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points will be computed and will constitute the PHP Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 2 highest and 2 lowest mid-points, if more than 2 mid-points have the same highest value or lowest value, then only 2 such mid-points will be eliminated.~~
  - ~~If the PHP Indicative Survey results in less than 11 but 8 or more responses, then the highest and the lowest mid-points will be eliminated and the arithmetic mean of the remaining midpoints will be computed and will constitute the PHP Indicative Survey Rate for such Valuation Date. For purposes of eliminating the highest and lowest mid-points, if more than 1 mid-point has the same highest value or lowest value, then only 1 such mid-point will be eliminated.~~
  - ~~If the PHP Indicative Survey results in less than 8 but 5 or more responses, then no mid-points will be eliminated and the arithmetic mean of all midpoints will be computed and will constitute the PHP Indicative Survey Rate for such Valuation Date.~~
  - ~~Quotes will be provided to the fourth decimal point (e.g., 1.0000).~~

## **III. Insufficient Responses**

- ~~If the PHP Indicative Survey results in less than 5 responses from Participating Banks ("Insufficient Responses"), no PHP Indicative Survey Rate will be available for the relevant Valuation Date. The next PHP Indicative Survey will take place on the next succeeding Business Day in Manila (or calendar day that would have been a Business Day but for an Unscheduled Holiday), subject to Section V below.~~

## **IV. PHP Indicative Survey Rate Publication**

- ~~The PHP Indicative Survey Rate will be published on the Publication Site at 3:30 p.m. (Singapore time), or as soon thereafter as practicable.~~
- ~~As soon as it is determined that the PHP Indicative Survey will result in Insufficient Responses, a notice that no PHP Indicative Survey Rate is available for the Valuation Date will be published on the Publication Site.~~
- ~~The response of each Participating Bank to the Indicative Survey (bid-offer pair) will be available on the Publication Site at 9:00 a.m. (Singapore time) on the first Business Day in Manila (or calendar day that would have been a Business Day but for an Unscheduled Holiday) following the Business Day on which the relevant PHP Indicative Survey Rate is published, or as soon thereafter as practicable.~~

## **V. Discontinuing the PHP Indicative Survey**

~~The PHP Indicative Survey will be discontinued (i) on the calendar day first following the Business Day in Manila on which the PHP PHPESO (PHP 01) is available for the determination of a Settlement Rate, or (ii) on the calendar day first following polling for the PHP Indicative Survey that results in Insufficient Responses for three consecutive polling days. Notwithstanding the foregoing, nothing herein will be construed to prevent SFEMC from continuing or re-initiating the PHP Indicative Survey at an appropriate time.~~

~~A notice that the PHP Indicative Survey has been discontinued will be published on the Publication Site.~~

#### **VI. Amendments to the Methodology**

~~SFEMC may, in its discretion, from time to time, make such administrative, procedural or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the PHP Indicative Survey.~~

#### **VII. Disclaimer**

~~SFEMC (and any service provider SFEMC may select) disclaim liability for the PHP Indicative Survey Rate, and no representation or warranty, express or implied, is made concerning the PHP Indicative Survey Rate (including, without limitation, the methodology for determining the PHP Indicative Survey Rate and its suitability for any particular use).~~